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COUNCIL OF THE YEAR



Barry Keel
Chief Executive

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Civic Centre
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Date: 7 November 2011

Please ask for: Nicola Kirby, Senior Democratic Support Officer (Cabinet)
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CABINET

Date: Tuesday 15 November 2011
Time: 2pm
Venue: COUNCIL HOUSE, PLYMOUTH

Members:

Councillor Mrs Pengelly, Chair
Councillor Fry, Vice Chair
Councillors Ball, Bowyer, Jordan, Michael Leaves, Sam Leaves, Monahan, Ricketts 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 of the meeting agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used in meetings.

Barry Keel
Chief Executive

CABINET

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 - 8)

To sign and confirm as a correct record the minutes of the meeting held on 18 October 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

CABINET MEMBER: THE LEADER AND COUNCILLOR MONAHAN

6. STRATEGIC FRAMEWORK FOR INFORMATION AND ADVICE SERVICES (Pages 9 - 16)

The Director for Community Services will submit a report on the Strategic Framework for Information and Advice Services.

CABINET MEMBER: COUNCILLOR BOWYER

7. JOINT PERFORMANCE AND FINANCE REPORT (Pages 17 - 70)

The Director for Corporate Support will submit the Joint Performance and Finance Report.

CABINET MEMBER: THE DEPUTY LEADER

8. VISITOR PLAN FOR PLYMOUTH (Pages 71 - 112)

The Director for Development and Regeneration will submit a report on a Visitor Plan for Plymouth.

9. A BUSINESS IMPROVEMENT DISTRICT FOR THE PLYMOUTH WATERFRONT (Pages 113 - 124)

The Director for Development and Regeneration will submit a report on a Business Improvement District for the Plymouth Waterfront.

10. 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 the likely disclosure of exempt information as defined in paragraph(s) of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

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

NIL.

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Cabinet

Tuesday 18 October 2011

PRESENT:

Councillor Mrs Pengelly, in the Chair.

Councillor Fry, Vice Chair.

Councillors Ball, Bowyer, Jordan, Michael Leaves, Sam Leaves, Monahan, Ricketts and Wigans.

Barry Keel (Chief Executive), Adam Broome (Director for Corporate Support), Bronwen Lacey (Director of Services for Children and Young People), Anthony Payne (Director for Development and Regeneration), Malcolm Coe (Assistant Director for Finance, Assets and Efficiencies), James Coulton (Assistant Director for Culture, Leisure and Sport), David Draffan (Assistant Director for Economic Development), Tim Howes (Assistant Director for Democracy and Governance), Stuart Palmer (Assistant Director for Strategic Housing) and Clive Perkin (Assistant Director for Transport).

Apology for absence: Carole Burgoyne (Director for Community Services).

The meeting started at 2pm and finished at 2.40pm.

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.

64. **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. The Assistant Director for Democracy and Governance clarified that councillors who had season tickets for Plymouth Argyle Football Club did not need to make any declarations.

65. **MINUTES**

Agreed that the minutes of the meetings held on 13 September and 10 October 2011 are confirmed as a correct record.

66. **QUESTIONS FROM THE PUBLIC**

Two questions were submitted by the public, for this meeting in accordance with paragraph 10 of the Constitution, as set out below.

In the absence of Mr Sharpe and Mr Taylor, the questions and the responses were circulated and written responses would be provided to them.

Question No	Question By	Cabinet Member	Subject
10 (11/12)	Mr Sharpe	Cabinet Member for Children and Young People (Councillor Sam Leaves)	Site of former Downham Special Needs School, Plymstock
<p>Downham Special Needs School, Plymstock will be closed in the near future when the pupils will be transferred to Estover.</p> <p>Before the city council decides on the site's future please could residents of Plymstock be asked their views.</p>			
<p>Response:</p> <p>The original consultation on relocating Downham to the Tor Bridge site with effect from September 2011 was undertaken from 12 January to 27 February 2009 with the Public Notice running from 24 April to 5 June 2009 and the final decision was taken by Cabinet on 11 August 2009 that the provision of Downham site be moved to new buildings at the Tor Bridge campus. Subsequently a decision was taken by Cabinet on 14 December to defer the relocation date to September 2012 to ensure that the children's education is not disrupted by ongoing building work on the site and ensure their safety. These buildings are in construction and will be completed for the school to move in in September 2012. Once all parts of the Downham site are vacated the Services for Children and Young People Directorate will consider if the buildings are needed for any further education provision and if not will declare the building surplus for education use and the buildings will transfer to the Corporate Support Directorate. In this directorate there is a Surplus Property Declaration procedure that involves a consultation with Ward Councillors and other Directorates in the council. If members of the public wish to make representation known about the site this can be done through their ward councillors. Should the council have no further need for the site it would be placed on the open market for sale. Any developer who wished to purchase the site for development would need to place a planning application to the Council and this application is subject to a further consultation where members of the public have a further opportunity to make comment on the use of the site.</p>			

Question No	Question By	Cabinet Member	Subject
11 (11/12)	Mr T Taylor	Cabinet Member for Finance, Property and People (Councillor Bowyer)	Waste to Energy Project – financial implications of MVV Umwelt's proposals
<p>Can the Cabinet Member for Finance confirm that he saw no figures regarding finances in advance of the Cabinet agreement to award the Waste to Energy Project to M.V.V. UMWELT.</p>			

Response:

No – I saw the redacted Final Business Case and public Cabinet report which included various figures, graphs and comparisons which encompasses MVV's solution.

67. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

68. **SCRUTINY PANEL TASK AND FINISH GROUP FOR WINTER MAINTENANCE**

Councillor James (Chair of the Overview and Scrutiny Management Board) advised Cabinet Members that Councillor Nicholson (Chair of the Growth and Prosperity Overview and Scrutiny Panel and the Task and Finish Group) was unable to attend the meeting today and, on his behalf, presented the scrutiny report on winter maintenance preparation (gritting). In order to progress the matter speedily, he and Councillor Mrs Aspinall had been given delegated authority to approve the report on behalf of the Overview and Scrutiny Management Board.

Councillor James indicated that the Task and Finish Group had found that there was not a co-ordinated approach on gritting and that there was a question on whether the current practices provided value for money.

The Director for Development and Regeneration submitted a written report on the recommendations of the Growth and Prosperity Overview and Scrutiny Panel's Task and Finish Group.

The report indicated -

- (a) that the Corporate Property Facilities Manager would assume responsibility for the management of the winter maintenance service;
- (b) the arrangements to support winter maintenance for 2011/12;
- (c) that in the medium term, Corporate Property would -
 - undertake a review of open land and grit bins locations to establish a methodology for the prioritisation, supply and distribution of salt for future years;
 - lead in the development of a strategy and policy for the effective winter maintenance of the wider corporate estate following the principles of the existing plan.

Councillor Wigns (Cabinet Member for Transport) presented the recommendations contained in the written report of the Director for Development and Regeneration and indicated that as a result of learning from the last two, severe winters, the service would be better prepared this year.

Cabinet Members were also advised that, although the winter plans had been launched on one of the hottest days, the road show had been well received.

The Leader thanked Councillor James for attending Cabinet.

Agreed –

- (1) the proposed actions to be undertaken by the Facilities Manager in respect of the arrangements for the corporate estate, both in the short and medium term;
- (2) the proposal to undertake both a full review of existing grit bin sites and the criteria used to determine the provision of future grit bins, in consultation with councillors.

69. **PLYMOUTH ARGYLE FOOTBALL CLUB - Cabinet Decisions**

The Director for Development and Regeneration submitted a written report -

- (a) on an offer received from the administrator's preferred purchasers of Plymouth Argyle Football Company Limited, to sell Home Park stadium to the Council, and on the terms following which, the Council would lease the ground back to the club;
- (b) indicating that the prospective purchasers also wished to amend the covenants the Council had on adjoining land at Higher Home Park (currently owned by the football club) to align them to the Area Action Plan uses to enable the land to be used to support the future development of the football club. In addition the Council was asked to remove an option the Council had to purchase part of Higher Home Park. The value of that covenant amendment and loss of option is £425,000.
- (c) stating the terms on which such an acquisition and letting and associated land transactions could take place;
- (d) informing Cabinet Members that advice had been sought on the proposed acquisition and letting terms, from the District Valuer. They had advised that the acquisition of Home Park by the Council on the terms set out by the prospective owners (excluding Higher Home Park) were acceptable in terms of representing value for money to the Council in the current market condition.

- (e) indicating that, in addition to the purely commercial benefits to the Council in owning and leasing out land, the City also had a role in ensuring the provision of sports and leisure facilities appropriate to a city the size of Plymouth. Further, there were economic, social and environmental advantages in securing the continuance of professional football in the city and having ownership of strategic assets which, if lost, would have a detrimental impact on other land owned by the Council.

Agreed –

- (1) the purchase of Home Park stadium on open market terms at a price of up to £1.6m plus ancillary costs (Stamp Duty Land Tax and surveyor's fees) and a lease back to the club for 30 years at an initial rent of £135,000 per annum. This is subject to Council approval of the capital expenditure and confirmation that the Football League has approved the purchase of the club by Mr Brent's company;
- (2) that approval is given to the amendment of the restrictive covenants on use and development on Higher Home Park to accord with the Central Park Area Action Plan and the removal of the option to purchase part of Higher Home Park, together valued at £425,000, on the terms set out in the report;
- (3) that authority to finalise the legal, financial and due diligence arrangements is delegated to the Chief Executive, in consultation with the Council Leader, Director for Development and Regeneration, Director for Corporate Support and the Monitoring Officer.

Note: This item has been designated as urgent in accordance with the provisions of the Constitution and is not subject to the call in procedure.

(See also minute 69a below)

69a Plymouth Argyle Football Club - Recommendation to the City Council

Further to minute 69 above,

To Recommend to the City Council the amendment to the capital programme, as set out in the report, to incorporate the purchase of Home Park.

70. CONTRACT AWARD FOR SINGLE HOMELESS HOSTEL SUPPORT SERVICE

The Director for Development and Regeneration submitted a written report on the background to a procurement exercise of services to replace the current hostel services for single homeless people and recommending the award of a contract.

The attention of Cabinet Members was drawn to the separate confidential written report, referred to in minute 73 below, which contained details of the tender process and proposed contract.

Agreed that a three year contract, with an option for a three year extension, is awarded to the preferred provider for a single homeless hostel support service.

(In the absence of the Chair, the Vice Chair took the Chair for this item.)

71. **CAPITAL INVESTMENT DELIVERY FOR MARINE ACADEMY PLYMOUTH AND ALL SAINTS ACADEMY PLYMOUTH**

The Director of Services for Children and Young People submitted a written report on the capital investment delivery for the Marine Academy Plymouth and All Saints Academy, Plymouth.

The report stated that –

- (a) following the review of capital allocations by Partnership for Schools (PFS), at the request of the Department for Education, capital allocations of £11.5m for All Saints Academy, Plymouth and £9.5m for Marine Academy, Plymouth had been approved in May 2011;
- (b) PFS had indicated that the funding allocated was reliant on the procurement being through the Academies Framework administered by PFS, and managed through the Council;
- (c) as the Academies were separate organisations to Plymouth City Council, there was no financial advantage to the Council in acting as the procurement agents, however the wider benefit to the city that such an investment would bring, was significant;
- (d) the condition liability of the schools fell to the Academies and the government so there was no direct reduction of liability from this investment. The capital investment would improve the school environments and bring up, to current legislation, the building fabric;
- (e) the City Council was a co- sponsor of these Academies which means that it retained an influence and a responsibility to support these organisations as partners, in the important objective of serving some of the most disadvantaged communities in the city;
- (f) the Council had been fully involved in making the case to Government that these schools needed capital investment to resolve long standing condition issues and to modernise their environment;
- (g) both the All Saints and Marine Academies had achieved substantial gains in attainment since becoming Academies but there remained much more to be achieved;

- (h) it was recommended that the Council should support these projects by acting as the responsible body in the capital delivery and to therefore secure this investment for the city.

Agreed that the Council is the procurement agent for the delivery of the design and construction programmes at the Marine Academy Plymouth and All Saints Academy, Plymouth, in accordance with the schemes approved by Partnership for Schools.

(In the absence of the Chair, the Vice Chair took the Chair for this item.)

72. **EXEMPT BUSINESS**

Agreed that under Section 100(A)(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

73. **CONTRACT AWARD FOR SINGLE HOMELESS HOSTEL SUPPORT SERVICE**

With reference to minute 70 above, the report of the Director for Development and Regeneration was submitted on the details of the tender process and the proposed contract.

(In the absence of the Chair, the Vice Chair took the Chair for this item.)

74. **MOUNT EDGCUMBE INVEST TO SAVE OPTIONS**

The Director for Community Services submitted a written report on the recommendations of the Mount Edgumbe Joint Committee, held on 30 September 2011, seeking approval of invest to save options.

In response to questions by Cabinet Members, the Assistant Director for Culture, Sport and Leisure reported on the programme of advertising for the sale of Picklecombe Cottage and reported, following further clarification, on the estimated revised cost of photovoltaic cells.

Agreed that the recommendations of the Mount Edgumbe Joint Committee are approved -

- (1) to accept the offer from Cornwall Council to loan the Joint Committee a capital sum to -
 - (a) pay off the existing capital loan;
 - (b) relocate Barrow Shop to the House;
 - (c) purchase a marquee;
- (2) to install photovoltaic cells with the constituent authorities each contributing half of the cost.

(In the absence of the Chair, the Vice Chair took the Chair for this item.)

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PLYMOUTH CITY COUNCIL

Subject: Strategic Framework for Information and Advice Services Framework

Committee: Cabinet

Date: 15 November 2011

Cabinet Member: The Leader and Cllr Monahan

CMT Member: Director for Community Services

Author: Jo Hambly – Financial and Social Inclusion Officer

Contact: Tel: 01752 304321
e-mail: jo.hambly@plymouth.gov.uk

Ref:

Key Decision: Yes

Part: I

Executive Summary:

Good quality information and advice services are a central element of support for our customers. This is particularly true at the current time because of the scale of change, in particular reform of welfare benefits and the delivery of adult social care services. Providing the right information and advice in the right way can make a huge difference to customers' experience of these changes and associated services. This ranges from dealing with simple routine enquiries, to intense services for those whose needs are more complex or require very technical support.

The council delivers a range of information and advice services, relating to financial inclusion and adult social care, many of which are commissioned separately and relate to different strategies. This has been reviewed with the view to taking a more holistic and joined up approach to provision.

To guide future provision and update the Financial Inclusion Strategy 2009-12, it is proposed that the council adopts an Information and Advice Services Strategic Framework. This will guide future commissioning and better align financial information and advice with adult social care advice-giving services.

Corporate Plan 2011-2014:

The proposals support our priorities as follows:-

- Reducing inequality: by providing meaningful advice and support to help people make the most of their income, reduce poverty (including child poverty), avoid debt problems and prevent an escalation of healthcare crises.
 - Providing value for communities: by better aligning services to maximise efficiency and ensure the right level of resources go to customers according to need.
 - Raising aspiration: by providing advice on an individual, needs-led basis, and encouraging customers to aspire to manage their finances and care themselves where possible.
 - Growth: by integrating services with the volunteering/work agenda and engaging people in the DWP work-programme and pre Work Programme based on their needs, abilities and aspirations.
-

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

The proposals are consistent with the medium term financial plan which includes provision for commissioning advice and information services.

The joining up of services in the proposed way provides opportunities to avoid overlap and increase efficiencies.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

Ensuring people are getting all the income and support they are entitled to is beneficial in terms of community safety eg preventing rises in acquisitive crime.

An Equality Impact Assessment has been completed and *TBC*

Recommendations & Reasons for recommended action:

It is recommended that cabinet

- Adopts the Strategic Framework for Information and Advice Services (2012-15) contained in this report

Reason: a more holistic and joined up approach to provision, better alignment of financial information and advice with adult social care advice-giving services, and ensures there is a clear, efficient, framework to guide future commissioning.

Alternative options considered and reasons for recommended action:

Continue to commission disparate information and advice services that do not maximise opportunities to join up provision, improve services for customers, based on need, and deliver in the most efficient way.

Background papers:

- 'Strategic Framework for Information and Advice Services 2012-15' proposal
- Financial Inclusion Strategy (2009-12)
- Adult Social Care Market Position Statement 2011
- Feedback from meetings/consultation/events
- Equality Impact Assessment

Sign off:

Fin	SRA /CO SF SCI 112 003- 22/9 /201 1	Leg	TH 31	HR		Corp Prop		IT		Strat Proc	JK/S PU/ CP/2 57/0 911
Originating SMT Member: Pete Aley & Pam Marsden											

1. Introduction

1.1 This report considers how the council provides advice and information services relating to financial inclusion and adult social care, and makes proposals for improvements.

2. Background

2.1 Good quality information and advice services are a central element of support for our customers. This is particularly true at the current time because of the scale of change, in particular reform of welfare benefits and the delivery of adult social care services. Providing the right information and advice in the right way can make a huge difference to customers' experience of these changes and associated services. This ranges from dealing with simple routine enquiries, to intense services for those whose needs are more complex or require very technical support.

2.2 The council delivers a range of information and advice services, relating to financial inclusion and adult social care, many of which are commissioned separately and relate to different strategies including the Financial Inclusion Strategy 2009-12, Adult Social Care Market Position Statement 2011 and other agendas such as worklessness, homelessness and child poverty.

2.3 The provision of these services has been reviewed against current need and in consultation with stakeholders. This review suggests that there are benefits for our customers if we take a more holistic and joined up approach to future provision.

3. Framework

3.1 To guide future provision, build on and update the Financial Inclusion Strategy 2009-12, it is proposed that the council adopts a Strategic Framework for Information and Advice Services. This will guide future commissioning and better align financial information and advice with adult social care advice-giving services. The proposed Framework, which provides more information, is attached.

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STRATEGIC FRAMEWORK FOR INFORMATION AND ADVICE SERVICES (2012-15)



1. Introduction

1.1 We have a history of commissioning financial inclusion and adult social care-related information and advice and services in Plymouth, driven by the [Income Maximisation Strategy \(2006-9\)](#), the [Financial Inclusion Strategy \(2009-12\)](#) (FIS) and the Adult Social Care Market Position Statement 2011.

This Strategic Framework builds on this work and replaces the FIS from April 2012. It outlines our priorities for the delivery of financial inclusion and adult social care-related information and advice services for the city.

2. Our vision/purpose

2.1 To deliver accessible, consistent and quality information and advice for everyone, enabling them to manage their money, increase their wellbeing, capability, and improve their resilience to future changes

3. Context

3.1 Information and advice services are an essential part of local authority business and contributes to:

- our city vision of the finest, most vibrant waterfront city where an outstanding quality of life is enjoyed by everyone
- our corporate priorities of reducing inequality, raising aspiration, providing value for communities and promoting growth.

3.2 Rapid changes in the welfare state and the impact of the economic climate on income and health means that many more people will be needing one touch information and advice so they can 'help themselves' and become resilient to social and economic change. Against the background of welfare reform, Plymouth's agendas for dealing with child poverty, housing, financial inclusion and worklessness clearly identify universal advice and information as central to making sustainable changes in the lives of those who are most in need of support and guidance. For example the changes in Welfare Benefits that will impact on anyone claiming housing benefit, families with children, older people, young people, and workless people.

3.3 The introduction of Universal Credit means the migration of everyone on Working Tax Credit, Income Support, Housing Benefit/LHA, Child Tax Credit, income based Job Seekers Allowance and income based Employment Support Allowance. These changes are likely to affect more than 51,000 local people and this may increase the number of general enquiries that can be dealt with at the first contact. This initial response needs to be supported with the option of more

intense support for those whose needs are more complex or technical. “There should be help and support at every stage to narrow the gaps and provide second chances”¹.

3.4 An ageing population and increasing numbers of people with disabilities means that the demand for social care information and advice is also likely to increase. National and local policy discusses the importance of advice and information as a key part of local authorities’ universal offer to its citizens. This work also provides an opportunity to investigate the alignment of information and advice commissioning priorities across Adult Social Care, Plymouth City Council and NHS Plymouth.

3.5 The Strategic Framework offers us the opportunity to align disparate information and advice contracts, to align them with the information ‘duty’ as delivered by Children and Young People’s services (Family Information Service) and to make best use of national providers where appropriate. It would also offer a reference point for Plymouth City Council commissioners, providing recommendations about the commissioning and delivery of any information and advice services in the city.

4. Strategic Framework for Information and Advice Services

4.1 Plymouth City Council (Social Inclusion Unit) will:

- a) Review current service provision in light of recent policy and legislation changes
- b) Explore opportunities for better co-ordination of future advice and information services across Plymouth City Council (PCC) departments and NHS Plymouth
- c) PCC will re-model information and advice provision to ensure services meet desired outcomes, as stated below.

5. Outcomes

- Provide timely information and advice to anybody who needs it.
- Identify each individual’s information and advice needs.
- Enable people who ‘can’ to help themselves to national and local services/tools that offer light-touch support to change their situation.
- Provide a central information resource that is easily accessible to all customers and local professionals that offers high quality information and basic levels of advice (Plymouth Online Directory).
- Provide some in-depth support for those who are assessed as ‘in need’ to support them to make positive changes; increasing their capability, confidence and independence.
- Provide reactive services that respond to national changes e.g. welfare benefit changes and changes to care, to prevent people from reaching a crisis.
- Link information and advice services to local innovative projects that will support customers to be socially mobile and contribute to the wider community via, e.g. volunteering and paid work.
- Ensure that resources are targeted to meet the specific needs around demographic and geographical need.

¹ Social Mobility Strategy: opening doors, breaking barriers (2011)

5. Considerations

5.1 We will work collaboratively (internally and across key partners including Health) to shape the future of information and advice, and to ensure the provision of holistic service that is easily accessible to everyone and available both centrally and via outreach into our deprived neighbourhoods. We will remodel provision across all client groups to ensure information and advice is universally accessible, consistent and comprehensive.

5.2 The services commissioned are dependent on need and may be adjusted as needs change.

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Subject: Performance and Finance Report (including Capital Programme update)

Committee: Cabinet

Date: 15 November 2011

Cabinet Member: Councillor Bowyer and Councillor Ricketts

CMT Member: CMT

Author: David Northey, Head of Finance
Patrick Hartop, Policy and Performance Officer

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Ref: fin/djn1111

Key Decision: No

Part: 1

Executive Summary:

This report is the second monitoring report for 2011/12 and outlines the performance and finance monitoring position of the Council as at the end of September 2011.

The primary purpose of this report is to detail how the Council is delivering against its key 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 balanced scorecard detailing key issues.

Performance summary

Performance indicators used in this report represent Plymouth City Council's contribution to delivering the citywide priorities of Growth, Aspiration, Inequalities and Value for Communities.

The overall performance position, as per the previous quarter, continues to have no highly critical issues. In fact, it should be noted that 45% of our performance indicators monitored in year are on track, with a further 31% just off track. Therefore, despite the difficult circumstances we are currently facing, we can report 76% of our performance indicators are there or there about on target.

Examples of positive outcomes include:

- The America's Cup World Series event has been officially hailed a huge success.
- Delayed Transfers of Care continues to perform strongly
- Learning Disability and Mental Health targets are improving

- National Non Domestic rate collection (NNDR) is above target
- Council Tax collection rates remain strong at 54.04%
- Eastern Corridor Phase I is scheduled to complete 1st November

Areas requiring close scrutiny are:

- Serious acquisitive crime is a concern, although we continue to perform well when compared to similar cities in our family group.
- There are increasing numbers of 16 -18 year old young people who are not in Education, Employment or Training (NEET).
- Numbers of children in the Residential and Independent Sector Foster Care are currently not meeting the 2011/12 targets.
- The cumulative average time to process new Housing and Council Tax Benefit claims is currently 28.9 days against an annual target of 20 days. Performance has slightly improved since the first quarter when it stood at 29.7 days.

As stated in the first quarter report, the performance of the authority cannot be viewed in isolation from what is happening to the global economy, and the knock-on effect to the local Plymouth economy. Consumer confidence remains at its lowest for the past few years; the UK economy is dependent on the success of its European trading partners; much now depends on the success of the agreement drawn up by European Leaders to bail out failing national economies and underpin the future of the Euro. One immediate and obvious impact of the current economic issues could see a further increase in the number of benefit claims. Further strains on local businesses could also result in pressure on rate payments with an impact on our income collection rates.

Finance summary - Revenue

The Council is forecasting a revenue overspend at year end of £0.569m (previous report £1.294m) against a net revenue budget of £208.237m (0.3%).

The main variations relate to Community Services, forecasting an over spend of £0.755m, although this has improved by £0.218m in the three months from June 2011, and represents 0.7% of the £108.7m budget. This reflects increases in supported living packages across the Adult Social Care service, with some continuing healthcare funded cases becoming the Council responsibility in the Learning Disability Service. The service continues to focus on scrutinising all spend and managing down expensive packages of care, in particular targeting the Learning Disability Service. Progress is scrutinised and challenged through the ASC Programme Board.

All other departments also show an improvement in their costs over the three month period.

Good progress has been made against the £15.742m revenue delivery plans set for 2011/12. Where there has been slippage in implementation, Directors have brought forward other actions to compensate. There does however remain risk regarding the scale of change that we are implementing across the council. RAG rated delivery plans are detailed within the report.

During the last three months, CMT has undertaken a full review of all Council reserves; working balance; reserves; and provisions. As a result, this report includes a recommendation to transfer some small, un-used balances into the revenue “invest-to-save” reserve which was created last year. There is a further recommendation to allocate this increased reserve to ICT investment and road repairs.

Finance summary - Capital

Following approval at Full Council in October 2011, the Capital Programme for the year was increased through approved new expenditure of £3.247m. Projects included the purchase of Plymouth Argyle Football Ground for £1.681m; Refurbishment of Armada Way Toilets for £0.500m; School projects for £1.066m. However, with further schemes and re-profiling being recommended to the next Full Council, the projected Capital Spend for 2011/12 reduces to a proposed £85.679m. The main variation reflects updated profiling of forecast expenditure on the two Academy Projects, which were initially assumed to be delivered during 2011/12.

Through this report, we are seeking approval to merge the monies held in the Capital Receipt Reserve into the regular capital receipts programme. This will allow additional, already approved, capital schemes to be funded from capital receipts rather than unsupported borrowing, which will relieve pressure on revenue funding.

Corporate Plan 2011-2014:

This quarterly report is fundamentally linked to delivering the priorities within Council’s corporate plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth

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

Robust and accurate financial monitoring underpins the Council’s Medium Term Financial Plan. The Council’s Medium Term Financial Forecast is updated regularly based on on-going monitoring information.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. Equality Impact Assessments have been undertaken on the delivery plans that underpin the 2011/12 budget.

Recommendations & Reasons for recommended action:

That Cabinet:-

1. Approve the variations to capital spend and re-profiling as detailed in Table 5
2. Cabinet recommend to Full Council the new capital schemes for investment as detailed in Table 6 amounting to £0.128m additional capital spend for 2011/12 and £1.795 for future years
3. Approve the consolidation of the Capital Receipt Reserve balance of £19.056m into the regular capital receipts programme.
4. Approve the budget virements as detailed in Table 8 of the report
5. Approve the consolidation of unrequired reserves, value £0.462m into the Invest-to-Save reserve.
6. Recommend to Full Council that the revised Revenue Invest-to-Save reserve be allocated £1.3m to the provision of an ICT Data Centre at Windsor; £1.3m to road repairs in the city,

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:

- Sustainable Community Strategy
- 2011 Plymouth City Council Corporate Plan
- 2011/12 Budget Setting papers published in December 2010
- Joint Performance and Finance Report – August 2011

Sign off:

Fin	MC111 2.016	Leg	TH0029	HR	MG	Corp Prop		IT		Strat Proc	
Originating SMT Member M Coe											

Plymouth City Council
Performance and Finance Monitoring – 2011/12
Quarter 2 to 30 September 2011

I. Introduction

- 1.1 With diminishing financial resources, it is fundamentally important that the Council maintains a clear focus on delivering progress against the identified corporate and city priorities.
- 1.2 A challenging set of revenue budget delivery plans have been approved for 2011/ 12 in order to deliver a balanced budget. Capital grants have been significantly reduced heightening the importance of clear prioritisation of spend linked to delivering tangible outcomes.
- 1.3 Performance and Finance information, and associated Delivery Plans, are owned by Directors and their Management Teams. Much progress has been made in recent years to ensure that cross cutting priorities are delivered and that finance is allocated to areas of most importance to the public (e.g. protecting the delivery of front line services)
- 1.4 This report outlines the progress against key performance indicators, forecasts the year end revenue position, provides details of progress against delivery plans and recommend updates to the council's capital programme and revenue reserves. This is the second quarterly report of the year, and the period of this report covers April to the end of September 2011.
- 1.5 A score card has been included within each Directorate report which focuses on exception reporting and identifying remedial action to be taken where necessary.
- 1.6 This report contains the following sections and Appendices:-

Section 'A' – Executive Summary - Performance

Section 'B' – Executive Summary - Finance

- Revenue
- Income
- Capital

Section 'C' – Executive Summary – Human Resources

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

Appendices

- Appendix A – Finance Monitoring Summary Graph.
- Appendix B – Capital
- Appendix C – Departmental Delivery Plans

SECTION A - EXECUTIVE SUMMARY PERFORMANCE

Performance Management arrangements









2.1 The performance indicators used in this report represent Plymouth City Council's contribution to delivering the citywide priorities of Growth, Aspiration, Inequalities and Value for Communities. The indicators are arranged over 3 levels and are defined as follows;

Level 1 - is a small basket of strategic indicators that track progress towards achieving Plymouth's long term vision. Targets are set for the next ten years. *Example: Increase Life Expectancy*

Level 2 - are high level outcome indicators that support delivery of Level 1. In many cases the indicators need to be delivered in partnership. Targets are set on a 3 year rolling basis. *Example: Housing decency - Number of Category 1 Hazards removed*

Level 3 - are single agency indicators that either support Levels 1 and 2 or are business critical to the organisation. Targets are set on a 3 year rolling basis. *Example: % people from health deprived neighbourhoods accessing Sports Development activities*

2.2 A performance summary is provided for departments in a scorecard format along with budget variances. The narrative within the scorecard provides 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. There are instances where indicators, baselines and targets are still being finalized; these are coloured white. Grey indicates that the Directorate does not monitor indicators at this level. Explanation of the scorecard rules are outlined below.

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		
RAG Rating key -Measures – an average of all measures that sit within Departments			
	Indicators are on track		Overall rating is up to 15% off target
	Overall rating is more than 15% off target		No data available. Baseline data and targets are yet to be agreed
	No indicators set for this service		

2nd quarter performance headlines

2.3 Some of the key points raised in the scorecard narrative are:

Community Services

2.4 Serious acquisitive crime remains a concern. At the end of September 2011 we have recorded an increase of 19% (237 more crimes) compared to the same period the year before; this means we are currently missing the target to reduce crime levels. Despite this concerning performance we continue to perform well when compared to similar cities in our family group.

2.5 Delayed Transfers of Care continue to perform strongly. Adults with Mental Health problems, Supported to Live Independently is above target. Both Learning Disability and Mental Health targets are improving and this is expected to continue as it is dependent on review activity which will increase in the latter part of the year.

2.6 Self-Directed Support/Direct Payments are slightly below target in September. However the implementation of Phase 3 of the Carefirst upgrade necessitated considerable 'time out' from front line duties for Proof of Concept staff during August which will have impacted on performance. Performance will be kept under close review to minimise further slippage.

Children's Services

2.7 Numbers of children in the Residential and Independent Sector Foster Care are currently not meeting the 2011/12 targets. The additional financial pressure this presents is being eased by under-spend in in-house placements and the reduction of average cost for these placement types through competitive commissioning.

2.8 Following a slow start to the year greater numbers of 'Common Assessments' are now being undertaken and as Locality working develops the year-end target is expected to be achieved.

2.9 There are increasing numbers of 16 -18 year old young people who are not in Education, Employment or training (NEET). Through extensive research a greater understanding of risk factors that make individuals more vulnerable to being NEET has been gained. This will inform the specification of the Career South West contract for 2012-13.

Corporate Support

2.10 National Non Domestic Rates (NNDR) collection is above target at the end of September, standing at 65.85% against the in-year target of 60.65%.

2.11 Council Tax collection narrowly missed the in-year target during this period, recording 54.04% against a target of 54.28%

2.12 Sickness absences continue with a downward trend towards the Council's target of 6 days per FTE. New policies and procedures, as well as a focus on employee health are having the desired impact.

2.13 The cumulative average time to process new Housing and Council Tax Benefit claims is currently 28.9 days against an annual target of 20 days. Performance has slightly improved since the first quarter when it stood at 29.7 days.

The new structure in the Revenue and Benefits department takes effect from 1 November; this will have a clear focus on driving service improvement.

Development and Regeneration

- 2.14 The America's Cup World series event has been officially hailed a huge success, with an estimated 115,000 visitors through the seven days of racing. There were over 1 million hits on the YouTube site covering the racing from the city showing the waterfront and Hoe in the most spectacular environment possible.
- 2.15 The first phase of the Eastern Corridor transport improvement scheme is scheduled to be completed on 1st November. The changes will significantly cut congestion and improve traffic flow in the East End. This will make an important contribution to easing accessibility across the city.
- 2.16 The first edition of Plymouth's Economic Review shows that over the long term, the city's economic performance has tended to fall behind the national average, but there were signs of improvement in the years leading up to the recession of 2008/9.

Chief Executive

- 2.17 A period of public consultation is being planned for the Council's budget plans 2012/13. 'Priorities Our Pounds' will run between 11th October and 7th November.

SECTION B - EXECUTIVE SUMMARY – FINANCE

3. General Fund Revenue Budget

- 3.1 Council approved a net revenue budget of £208.237m for 2011/12 at its meeting on 28 February 2011. At the end of June 2011, a revenue overspend of £1.294m (0.6%) was forecast. At the end of September 2011, this forecast overspend has now reduced to £0.569m (0.3%). Table I below shows the forecast year end position across departments.

Table I - End of year revenue forecasts

DIRECTORATE	Council Approved Budget Feb '11 £000	Latest Approved Budget £000	Latest Forecast Outturn £000	Monitoring Variation June 2011 £000	Monitoring Variation Sept 2011 £000	Movement in Quarter £000	
CHILDREN AND YOUNG PEOPLE	49,383	49,236	49,070	(66)	(166)	(100)	-0.3%
COMMUNITY SERVICES	109,180	108,710	109,465	973	755	(218)	0.7%
DEVELOPMENT & REGENERATION	17,073	17,988	18,057	177	69	(108)	0.4%
CORPORATE SUPPORT	27,400	27,814	27,833	210	19	(191)	0.1%
CHIEF EXECUTIVE	1,508	2,492	2,384	0	(108)	(108)	-4.5%
CORPORATE ITEMS	3,693	1,997	1,997	0	0	0	0.0%
GENERAL FUND BUDGETS	208,237	208,237	208,806	1,294	569	(725)	0.3%

- 3.2 Further details of the variations are outlined in the individual Directors reports in Section D of this report. The more significant variations are summarised below:

3.2.1 Children & Young People:

There are no major adverse variances forecasted at this stage. The forecast underspend is a result of early implementation of future year delivery plans in LifeLong Learning.

3.2.2 Community Services:

Adult Social Care is forecasting an over spend of £0.750m with on-going pressures within learning disabilities and older peoples mental health. We have seen increases in supported living packages across the service with some continuing healthcare funded cases becoming the Council responsibility in the Learning Disability Service. The service continues to focus on scrutinising all spend and managing down expensive packages of care, in particular targeting the Learning Disability Service.

3.2.3 Development:

There is an income shortfall in economic development due to increased voids and reduced commercial rent linked to the current economic climate. £0.070m of the cost of the America's Cup event managed by Economic Development will be met from the 2012/13 Leisure Budget; therefore the Department is expected to overspend by this amount in 2011/12. The major improvement in the quarter is the projected £0.100m saving against the Waste Management project.

3.2.4 Corporate Support:

There have been delays in implementing the staff restructure within Democracy and Governance Services. However the resultant over spend has been offset by other savings. Restructures across Revenues and Benefits, Customer Services and changes in Finance Management have resulted in Delivery Plan targets being exceeded for 2011/12.

3.3 **Delivery Plan Update**

In setting the budget for 2011/12, departmental delivery plans totalling £15.742m were agreed in order to achieve a balanced budget. Overall, significant progress has been made across the majority of these plans. The Red / Amber / Green (RAG) rating applied in this report have been robustly challenged

Inevitably, throughout the year, original Delivery Plans will change due to changes in circumstances. Some will overachieve whereas others will not generate the savings target anticipated. Where such variations occur, initially it is the responsibility of the sponsoring department to develop and implement alternative budget delivery plans and actions. Major variations to delivery plans will be reported within individual departmental sections.

Only where there is no planned remedial action to address a non performing delivery plan will a forecasted overspend be reported. However, overspends can also occur in the event of unforeseen budget pressures such as a significant increase in service demand or loss of income stream. Similarly, underspends are identified where 'over' delivery of plans have been achieved, (or forecasted), surplus income achieved or a reduction in service demand identified.

Table 2 below summarises the progress against the published, (December 2010), revenue budget delivery plans by department.

Table 2 – Delivery Plan Summary

DIRECTORATE	Total Delivery Plans	Red	Amber	Green
CHILDREN AND YOUNG PEOPLE	3,890	60	1,360	2,470
COMMUNITY SERVICES	4,686	830	810	3,046
DEVELOPMENT & REGENERATION	790	250	300	240
CORPORATE SUPPORT	5,376	120	2,526	2,730
CHIEF EXECUTIVE	400	100	300	-
CORPORATE ITEMS	600	295	-	305
Total Delivery Plans	15,742	1,655	5,296	8,791
% Total Delivery Plans	100.0%	10.5%	33.7%	55.8%

Overall, progress against this challenging agenda is encouraging, with just under 90% of plans rated as Green or Amber status. A detailed breakdown, by department can be seen at **Appendix C**.

We must continue to work on achieving all of the delivery plans for the current year, not only to achieve our budget for the year, but also because the majority of the current plans roll forward and underpin the budgets for the coming two years.

CMT are holding Budget Challenge Sessions by Directorate to review current and future plans. Cabinet Members must also continue to challenge all Directors.

4 Income Summary

- 4.1 As previous reported, continuing to improve income collection rates remains a challenge within the current economic environment. Whereas significant progress has been made in improving the in- year Council Tax collection target and Sundry Debtors target in recent years, such improvement becomes more difficult to sustain each year. However, we remain ambitious and constantly review alternative, more effective ways of joining up and collecting income owed to the Council.
- 4.2 Progress made against 2011/12 income collection targets as at 30 September 2011 is shown in table 3 below:

Table 3 – Income Collection performance

Type of debt	Budgeted income 2011/12	Year to date Target % 2011/12	Year to date Actual % 2011/12	Achieved % 2010/11	Year end Target % 2011/12
Council Tax	£93m	54.3	54.0	96.1	96.5
NNDR	£86m	60.7	65.9	97.3	97.5
Sundry Debt	£61m	95.0	93.0	92.5	95.0

- 4.3 We are confident, given the current performance of collection rates for both Council Tax and NNDR that the year-end target will be achieved. However, Sundry Debtor collection rates are currently (marginally) below the ambitious improvement targets set at 95%. We will continue to explore opportunities for increasing this collection rate such as, wherever possible, encouraging pre-payment for goods and services.

5. Capital Programme

- 5.1 In the quarterly report June 2011, the 2011/12 Capital Programme stood at £102.975m. Following approval of new schemes at Full Council in October 2011, the current capital programme for 2011/12 is **£106.222**.

This increase of £3.247m is shown in Table 4. The table also sets out the additional schemes approved for our Capital Medium Term Financial Forecast (MTFF) which cover the period to 2014/15.

Table 4 – Schemes Approved at July & October Council Meetings

£000	£000	£000	£000	Schemes Approved at July & October Councils
11/12	12/13	13/14	14/15	
1,681	-	-	-	Purchase of Argyle Football Ground
500	-	-	-	Refurbishment of Armada Way Toilets
-	3,148	-	-	MRF Upgrade (increased provision)
566	1,235	2,512	629	Wave 2 Primary School Basic Need Projects
500	1,000	-	-	Boringdon School
-	(601)	-	1,000	School Condition Works
3,247	4,782	2,512	1,629	Total of Schemes Approved

- 5.2 Due to timing around the delivery of capital spend, and variations due to project slippage, changes in priorities, contractor performance, ability to achieve capital receipt etc. we are now reporting the following changes to the timing of capital spend over the next four financial years:

Table 5 – Recommended Variations to Capital Spend

£000	£000	£000	£000	Re-profiling / Other Variations
11/12	12/13	13/14	14/15	
(18,897)	8,472	10,425	-	<u>Academies Re-profiling</u> Re-profiling of forecast expenditure on Academy projects. This will be updated as more detailed information becomes available, following design work etc
(2,000)	2,000	-	-	<u>Plymouth Life Centre Re-profiling</u> A timetable for the re-provision of ice and arena facilities has now been agreed in line with the OJEU procurement process.
625	391	(1,016)	-	<u>Other Re-profiling</u> Details in Appendix B
(399)	-	-	-	<u>Variations & Virements</u> Details in Appendix B
(20,671)	10,863	9,409	0	Total Re-profiling / Other Variations

- 5.3 The Capital Delivery Board has recently considered, and prioritised, a number of other new capital investment projects that deliver outcomes against corporate priorities. These schemes will be presented for approval at the next Full Council meeting in December 2011.

Table 6 – New Schemes for recommendation to Full Council (Dec 2011)

£000 11/12	£000 12/13	£000 13/14	£000 14/15	Schemes to be Approved at December Council
-	1,571	-	-	Academies – additional funding from Central Gov't
74	-	-	-	Prospect Row Play Area
30	-	-	-	Environmental Survey Works
-	50	-	-	St Budeaux Multi Use Games Area (MUGA)
24	-	-	-	Bretonside & Notte St Improvement Works
-	174	-	-	Traffic Improvements
128	1,795	0	0	Total of new Schemes for approval Dec 2011

- 5.4 The Capital Programme is always subject to variations, due to a number of different factors. The further revision of the 2011/12 programme will move the latest known position to £85.679m.

	£m
Programme following approvals at Full Council October 2011	106.222
Re-profiling for approval at November Cabinet (Table 5)	(20.272)
Variations for approval at November Cabinet (Table 5)	(0.399)
New Schemes for approval at December Council (Table 6)	0.128
Revised (Latest Forecast)	85.679

Capital Expenditure to Date

- 5.5 To date, we have accrued actual spend of £34.350m which equates to 40.1% spend against the revised estimated annual spend of £85.679. Departments are confident that they will be able to deliver the vast majority of the approved capital programme in year however further amendments will be considered by the Capital Delivery Board, fed up to Cabinet and recommended to Full Council, as appropriate.

Recommendations:

1. Cabinet approve the re-profiling and variations to capital spend as detailed in Table 5.
2. Cabinet recommend to Full Council the new capital schemes for investment as detailed in Table 6 amounting to £0.128m additional capital spend for 2011/12 and £1.795 for future years

Capital Receipts

- 5.6 There has been extreme pressure on the council's ability to generate capital receipts over the last couple of years due to falling property and land prices. The current Medium Term capital programme assumes generation of £34.7m new receipts up to, and including, 2014/15.
- 5.7 The council received a net capital receipt of £19.056m (including notional interest) in relation to the one-off sale of Plymouth CityBus in 2009. This is currently held separately in a Capital Receipt Reserve. To date, this receipt has not been applied to the general Capital Receipts Programme.
- 5.8 During September 2011, CMT, as part of the 2012/13 budget setting process, undertook a full review of all reserve and provision balances. We currently hold the balance of £19.056m in a separate Capital Receipt Reserve. In order to fund our ambitious Medium Term Capital Programme it is necessary to consolidate this reserve balance into the general Capital Receipts Programme. Therefore, for transparency purposes, we now propose to incorporate this one off receipt within the overall projected capital receipts of the Council.
- 5.9 This amalgamation will allow a number of projects which are currently funded by unsupported borrowing to be funded from capital receipts. This will reduce the level of borrowing, reduce the cost of borrowing, and therefore relieve pressure on revenue funding.
- 5.10 Following this consolidation, the capital receipts now available to fund the programme (RAG rated) from the disposal of land and buildings are as follows:

Disposal of Land / Buildings	£m
2010/11 B/fwd	0
2011/12 Rec'd to Date	0.402
Capital Receipt Reserve transfer	19.056
2011/12 Estimated to be Rec'd	1.685
2012/13 Estimated Receipts	6.682
2013/14 Estimated Receipts	4.569
2014/15 Estimated Receipts	1.001
Total	33.395

- 5.11 The Council uses capital receipts as part of its funding streams; however the timing of when the capital receipts are paid into the Council does not always match up with when we wish to apply them to schemes. This mismatch on timing between capital receipts generated and capital receipts requirement has been flagged up consistently in previous reports. As such, any temporary shortfall of required capital receipts will need to be funded by short-term unsupported borrowing that would be financed from the Capital Finance Reserve or the working balance, until such time as additional capital receipts are generated.

- 5.12 Given the current economic climate it is likely that the potential capital receipts level may not be realised due to lower values being achieved, or sales delayed, and officers are constantly reviewing the position to achieve maximum returns. To fully fund our Medium Term Forecast, we require total Capital Receipts of £34.767m; our RAG rated receipts schedule currently projects receipts of £33.395m, leaving a shortfall of £1.372m

Recommendation:

3. Cabinet approve the consolidation of the Capital Receipt Reserve balance of £19.056m into the general capital receipt programme.

Capital Medium Term Forecast

- 5.13 Projecting forward the above changes across the next three financial years provides an initial capital programme as detailed in Table 7. This is the programme based on known projects and funding streams. The council will remain proactive at optimising external grant funding wherever possible in order to continue significant capital investment in the city. The Council has adopted a four year Capital MTFF aligning it with the number of years over which the revenue MTFF is based. The programme will grow in future years when we receive more certainty around future funding streams.

Table 7 – Capital Medium Term Forecast & Funding

	2011/12 Revised £000	2012/13 Revised £000	2013/14 Revised £000	2014/15 Revised £000	Total £000
Children's Services	19,551	22,231	12,937	1,629	56,348
Community Services	27,866	4,532	183	337	32,918
Corporate Support	11,040	3,622	500	0	15,162
Development & Regeneration	27,222	12,569	6,523	7,371	53,685
	85,679	42,954	20,143	9,337	158,113

Funding Source	£m
Capital Receipts	34.767
Unsupported Borrowing	24.774
Supported Borrowing	0.324
Grants, Contributions & S106	96.729
Revenue & Funds	1.519
Total	158.113

SECTION C – EXECUTIVE SUMMARY – HUMAN RESOURCES

Human Resources Key Messages

- 6.1 The total wage bill for the Council (including on-costs) is around £130 million. Each year the Council's budget includes a savings target of 3% for 'vacancy savings' which is naturally achieved from vacant positions and natural turnover of staff.
- 6.2 HR indicators monitor 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, as at the end of September 2011.
- 6.3 **Key facts and figures are;**
- We currently have 3421.3 FTE central employees in post.
 - Control of agency staff has improved, following the award of the temporary workers' (Pertemps), contract in 2010. Corporately a threshold of 5% of the total wage bill has been set, to monitor the use of agency staffing. Agency Spend is currently 4.93% of the monthly wage bill;
 - Sickness – there have been improvements throughout the council at reporting absences providing much better management information. A rigorous target of 6 working days per FTE per year has been set. However, actual sickness levels at the end of September 2011 are 10.18 working days per FTE for the last rolling 12 months. There is a corporate drive to significantly reduce this level and HR is working closely with departments to consistently address proactive management of absence.
- 6.4 The Council aims to reduce the direct and in-direct costs of the workforce through:
- Natural 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

Redundancies and Voluntary Release:

- 6.5 At the end of September 2011, over the past 12 months, 70 people left the Authority for reason of redundancy and 53 people who were at risk of redundancy were redeployed.
- 6.6 The voluntary release scheme will result in a total of 85 people leaving the Authority before the end of the year.
- 6.7 The Council's target is to improve our rate of re-deployment to only one out of eight people being made redundant during 2011/12 through improved redeployment and vacancies created through the Voluntary Release Scheme.
- 6.8 The Council currently has £2.6m put aside in a specific reserve to fund the costs of redundancies and voluntary releases brought about by reducing the overall workforce.

Review of Terms and Conditions

- 6.9 The collective agreement was agreed and signed by the trade unions on 14 September 2011. This is delayed from the original implementation date of 1 April 2011.
- 6.10 Implementation is taking place in accordance with the implementation timetable.

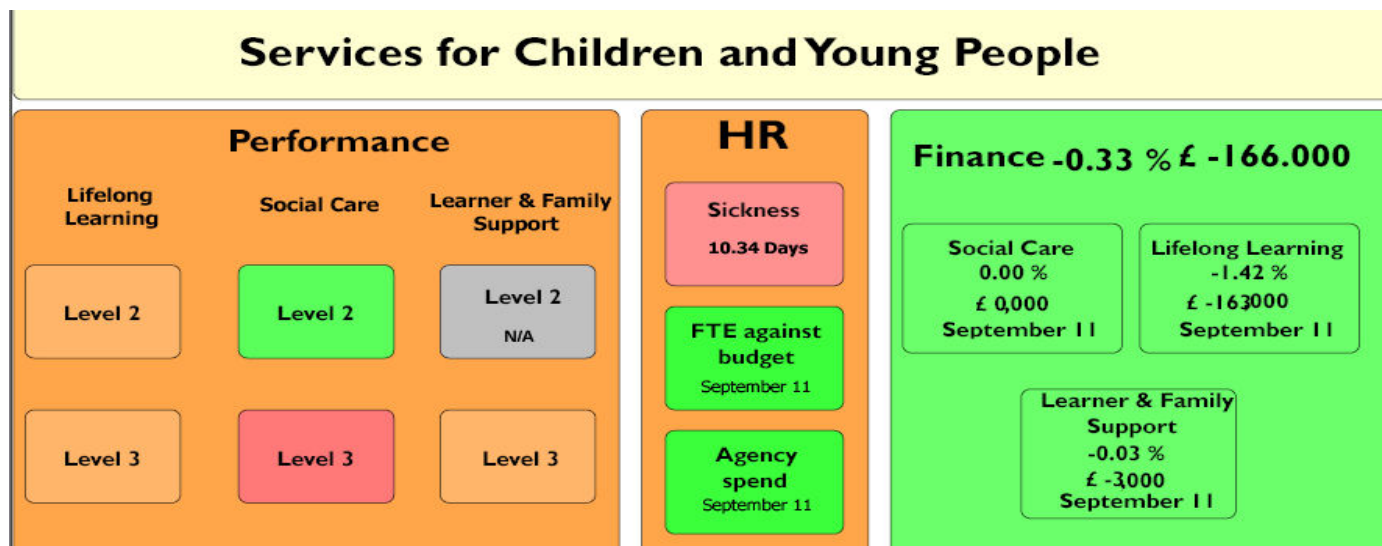
Senior Management Review

- 6.11 The new directorate structure was agreed by Full Council on 10 October 2011. This will reduce the number of directorates to three on 1 January 2012. Director level appointments are delegated to the Appointments Panel that will sit in November 2011.
- 6.12 Consultation has commenced on the next phase, which will involve changes to the assistant director structure. Recommendations on the new structure will be submitted to Full Council on 5 December 2011.

SECTION D – DEPARTMENTAL PERFORMANCE & FINANCE REPORT

7 Children & Young People's Services

7.1. Scorecard - General Fund Revenue Forecast is an underspend £0.166m



Responsible Officers: Maggie Carter / Colin Moore / Mairead MacNeil

Social Care

Social care reports a nil variation in the second quarter of the year. The number of residential placements has increased from 17 to 19 (against a target of 13) and the number of Independent Sector Foster placements from 65 to 66. This has resulted in an increased forecast expenditure within the quarter of £0.046m which has been offset by savings within 16+ Service placement budget and the In- House Fostering provision.

Analysing quarter 2 performance, the achievement of 2011/12 targets for Residential and Independent Sector Foster Care, as well as the overall number of children in care target is looking difficult to achieve. **This is because we will always put children's safety first.** The additional financial pressure this presents is being eased by under-spend in in-house placements and the reduction of average cost for these placement types through competitive commissioning. Caseloads and budgets are under weekly scrutiny.

Learner and Family Support

Learner and Family Support reports a favourable variation of (£0.003m). Special Educational Need transport pressures of £0.134m have been partially offset by additional income sourced for Extended Right to Free Travel of (£0.092m). The Integrated Disability Service is forecasting an under spend resulting from maximising the use of grant funding (£0.155m). These favourable variations offset other pressures relating to the release of staff and grants ending prior to the cessation of staffing contracts. Greater numbers of 'Common Assessments' are being undertaken and as Locality working develops the year end target is expected to be achieved.

Lifelong Learning

Lifelong Learning report a favorable variation of (£0.163m). There is a pressure relating to the tax liability of School Improvement Partners, which could result in an additional payment of £0.100m. The pressure has been offset by the early achievement of 2012/13 delivery plans. We continue to report increasing numbers of 16 -18 year old young people who are not in Education, Employment or training (NEET) through extensive research we have developed an understanding of risk factors that make individuals more vulnerable to being NEET. This will inform the specification of the Career South West contract for 2012-13 to ensure better targeted and intensive work with Young People from vulnerable groups. We are also introducing a post-16 reengagement model within the localities team.

People Management

The Services' sickness levels is showing 10.34 and is slightly below the overall council figures (10.18), but is still above the Council's target (6 days). Collaborative action is being taken to monitor and manage absences, particularly around long term sickness cases which are of particular sensitivity.

7.2 Delivery Plan Update

Children & Young People has a Delivery Plan of £3.890m for 2011/12. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery plan is contained in Appendix C

Service	Red £000	Amber £000	Green £000	Total £000
Learner & Family Support	0	360	190	550
Lifelong Learning	0	0	0	0
Social Care	0	580	180	760
Other Delivery Groups	60	420	2,100	2,580
Total CYP	60	1,360	2,470	3,890

Performance against delivery continues with the Commissioning & Finance programme board tracking progress on a monthly basis.

7.3 Risks and Issues

- The numbers of Children in Care can change quickly and so Diversion from Care strategies and related initiatives will continue to be implemented – this will impact on the revenue budget and the delivery plans. At the current time, Social Care savings will need to be achieved to deliver a balanced budget but there is a risk of increased numbers resulting in higher costs in the second half of the year if mitigating action is not taken.

- Demand for Transport could increase and result in higher costs.
- The Carefirst programme currently has a net £0.600m resourcing gap over capital and revenue streams spread across the current and next 3 years. This gap needs to be closed to fully balance the project.

7.4 Invest to Save

The department has two invest to save projects. Parent and Child Assessments and Intensive Support for Young People with Multiple and Complex Needs.

Parent and Child Assessments

A Team Leader has been appointed and started during October, which means 6 months slippage. There has been an increase in court ordered placements in the first 6 months, and as a result there will be slippage in the estimates stated in the original business case. Once the team is established it is imperative that the in-house team pick up the majority of these assessments in order to achieve the savings contained in the business case (although the slippage in the recruitment to October will partially offset costs with savings).

Assessment Type	Business Plan	Revised Plan	Actual to date
Court Ordered External	14	15	9
In-house	9	3	1

Autistic Spectrum Disorder (ASD) and Complex Needs

The full business case to facilitate supporting children with complex care needs in the family home and the local community, placing less reliance on the expensive independent residential sector was approved by the Capital Delivery Board with work on the building due to commence in December 2011. The operational project team is currently providing the planned service from various venues with a view to becoming fully operational within the one venue when building work is complete.

7.5 Schools

The Schools DSG position is regularly reported to the Schools Forum.

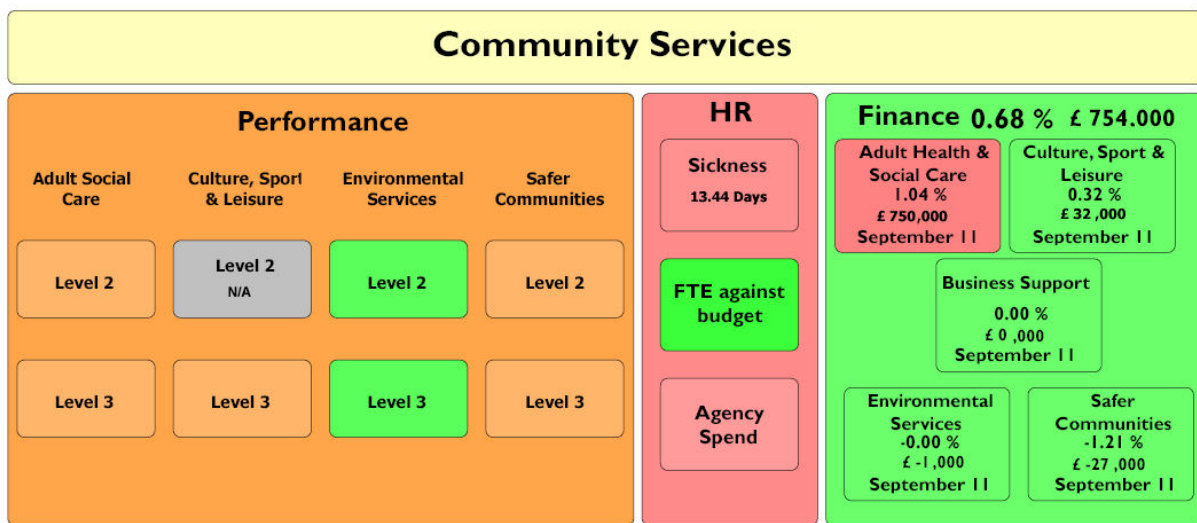
The latest forecast shows a projected underspend of £0.138m for DSG funded activities. Pressures relating to insurance costs being borne by a smaller number of schools because of Academy transfers and the increased Planned Admission Numbers for some schools have been offset by the lower take-up of the early years free entitlement and reductions in independent sector placements.

7.6 Medium Term Issues

- The level of Schools buy back and Academy business will impact on the level of income and the net cost of services. Furthermore, a significant increase in the central government top slicing of the overall local authority formula grant, which is then used to fund academies, will result in less resources being passed to the council and in particular Childrens’ Services and schools.
- Changes to Grants and funding streams could have an adverse impact on the service

8. Community Services

8.1 Scorecard - General Fund Revenue Forecast is an overspend of £0.754m



Responsible Officers: Pam Marsden, James Coulton, Jayne Donovan and Pete Aley

Adult Social Care

There is a forecast £0.750m overspend in Adult Social Care, assuming all delivery plans are achieved by year end. There have however been increases in supported living packages across the service with some continuing healthcare funded cases becoming the Council responsibility in the Learning Disability Service. The service continues to focus on scrutinising all spend and managing down expensive packages of care, in particular targeting the Learning Disability Service. Progress is scrutinised and challenged through the ASC Programme Board.

We are slightly below target in September for Self Directed Support/Direct Payments. However the implementation of Phase 3 of the Carefirst upgrade necessitated considerable ‘time out’ from front line duties for Proof of Concept staff during August which will have impacted on performance. Performance in this area will be kept under close review to minimise further slippage.

On a more positive note Delayed Transfers of Care continues to perform strongly. Adults with Mental Health problems, Supported to Live Independently is above target. Both our Learning Disability and Mental Health additional targets are improving and this is expected to continue as it is dependent on review activity which will increase in the latter part of the year.

Culture Sport & Leisure

There is a forecast overspend of £0.032m as a result of an operating deficit on the Mayflower Centre , which PCC have longstanding agreements to underwrite. The centre is experiencing a reduction in income due to the proximity of building works for the Plymouth Life Centre and the awareness of its impending closure.

Museum visits were down this August due to the closure of the galleries in preparation for the British Art Show and has impacted on visitor numbers for the quarter. Increased numbers of enquiries at the Tourist Information Centre was largely due to the Americas Cup event. Library attendances continue to be above target.

The transfer of leisure staff to Everyone Active has proved successful with reported increases in attendances at Plympton Pool and Brickfields Sports Centre.

Environmental Services

The £0.234m forecasted overspend at June 2011 has reduced to nil mainly due to forecasted reductions in tonnages going to landfill from 79,000 Tonnes to a projected 77,500 Tonnes. There are however continuing revenue pressures particularly in Waste Collection that are offset by an assumption of a Landfill Tax rebate of £0.398m.

The amount of residual waste at the end of quarter 2 (NI 191) is 320.6kg per household, a reduction of 4.1% when compared to the same period last year, and, although residual waste will increase during the winter months, it is currently on course to meet the annual target. The percentage of waste diverted from landfill (NI 192) is 34.15%, currently 1.15% above target. Performance will fall as composting reduces through the winter, offset to some extent by an extended garden waste collection, and should be very close to the annual target of 33%.

Waste minimisation and recycling education has continued to raise awareness during the quarter with road-shows, doorstepping events and talks to community groups as well as working closely with our collection service to target specific areas where problems have been highlighted.

Safer Communities

There is a projected £0.027m underspend as a result of additional commissioning savings and efficiencies in business support.

Levels of overall crime in Plymouth remain low when compared to other similar cities (4th lowest in our family group of 15).

Serious acquisitive crime remains a concern, at the end of September 2011 we have recorded an increase of 19% (237 more crimes) compared to the same period the year before, this means we are currently missing the target to reduce crime levels. The biggest increases are in levels of domestic burglary (+107) and theft from motor vehicle (+113). Despite this we continue to perform well when compared to similar cities in our family group. Council crime reduction staff and partners have undertaken several initiatives recently, targeting identified key areas. The increase in serious acquisitive crime has also impacted on our target to reduce crime in the neighbourhoods which have the highest crime rates (compared to the city average). Levels of violence and criminal damage continue to reduce across the city, and we are on target to achieve our target to reduce violence with injury.

People Management

Agency spend is measured as a percentage of our overall monthly spend on wages (salary including on-costs plus agency costs). Agency spend stands at 10.79% of the overall wage bill for Community Services against the corporate target of 5%, which is a increase of 1.84% from the previous month. The department is working hard to reduce this position.

The Council has set a target of 6 working days per FTE. Sickness levels at the end of September are 13.44 working days per FTE for the last rolling 12 months. The council wide sickness statistics are 10.18 days per FTE for the last rolling 12 months. The department is working hard with HR to address this position.

8.2 Delivery Plan Update

Community Services has Budget Delivery Plans of £4.686m for 2011/12. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery Plan is shown as **Appendix C**

Service	Red £000	Amber £000	Green £000	Total £000
Adult Health & Social Care	0	520	2,001	2,521
Culture, Sport & Leisure	250	140	540	930
Environmental Services	480	0	435	915
Safer Communities	0	0	70	70
Other Delivery Groups	100	150	0	250
Total	830	810	3,046	4,686

There are a number of significant risks emerging in the Community Services Delivery plan where savings and efficiencies are possible but will not materialise until the end of the current or the next financial year.

- The Leisure Management contract has been signed and there are some savings in the current year. Full year savings will occur from 2012/13.
- The programme of Community Asset transfers is also unlikely to delivery savings in the current financial year although alternative options may in part produce some savings
- Business and Administrative Reviews are currently in the early stages of determining the full scope for savings in 2011/12.

8.3 Risks and Issues

- Maintaining front line services whilst implementing a number of Delivery plans will be challenging.
- Managing expectations of enhanced level of service against the current budget, particular in the service area of Waste Collection ,Street Scene and Parks
- 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 (Quality, Innovation, Productivity & Prevention) efficiencies and the Health Service Transformation.
- Reductions in ad hoc and SLA income from Plymouth Community Homes
- Repairs to foreshore at Mount Edgcumbe estate where sea wall collapse is undermining the highway
- There is an assumption that Environmental Services will receive a landfill tax rebate of £0.398m, the full value of the claim, lodged in March 2011

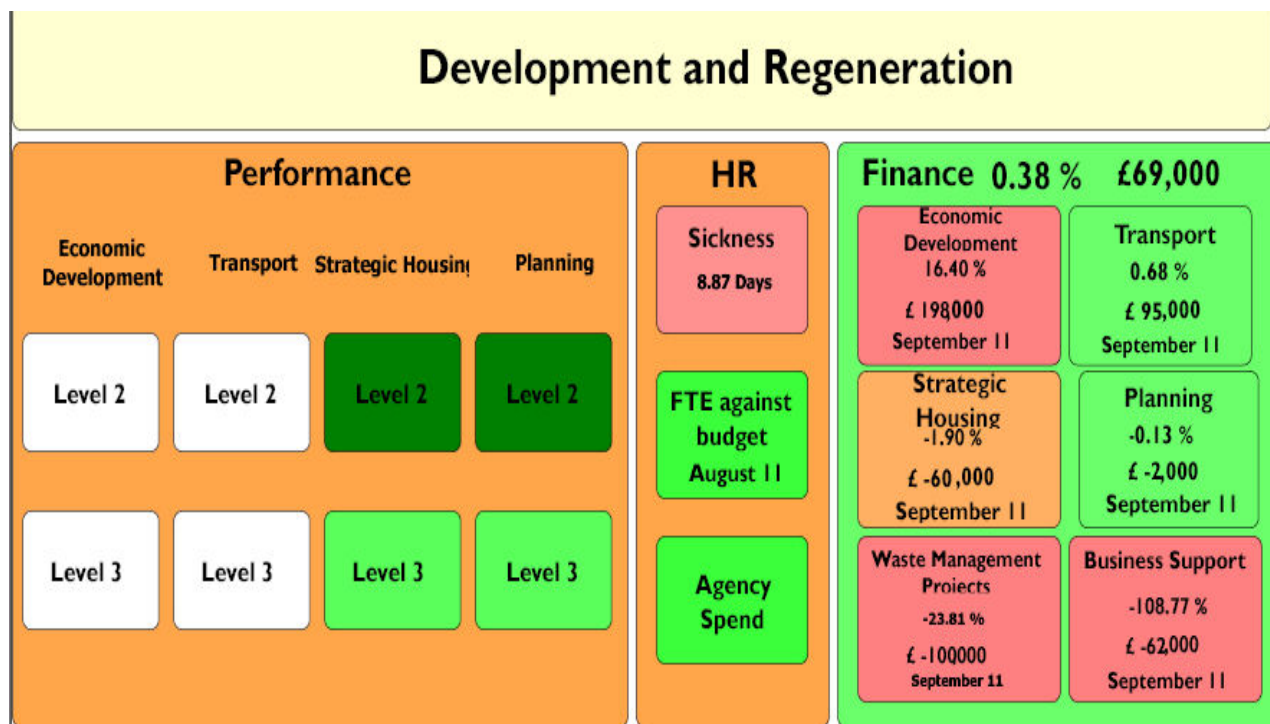
8.5 Medium Term Issues

- The Council has issued an OJEU notice inviting expressions of interest for the provision of Ice and Arena facilities. This will enable the Council to explore options over the coming 6 months. Consequently, there will be an associated £0.800m revenue implication to extend existing services at Plymouth Pavilions to September 2012, subject to review depending on progress once competitive dialogue commences.

- Municipal Waste Management Strategy (MWMS) identified that waste management costs would increase significantly due to the need to procure a waste disposal facility. This needs to be compared against the current Waste Management provision of £2.4m
- Gypsy & Travellers permanent site provision
- Downturn in Economy leading to less opportunity to maximise discretionary fees
- The effect of demographic increases on demand led services with stand still budgets
Outstanding Government Election pledge - Increase of £250 per person for the low paid (1,400 staff in Community Services - £0.420m)

9. Development and Regeneration

9.1 Scorecard - General Fund Revenue Forecast is an underspend of £0.069m



Responsible Officers: Clive Perkin/Gill Peele/David Draffan/Paul Barnard/Stuart Palmer/Mark Turner

The Department continues to make good progress in supporting and enabling Growth within the City.

Development is responsible for 5 long term outcome measures and has almost finalised the targets for its basket of Level 2 and 3 indicators, informed by the Economic Review.

Economic Development

Destination Plymouth is nearing completion of the City’s first ever Visitor Plan to achieve a 25% increase in visitors by 2020 and the Waterfront Partnership are consulting with businesses on their first draft Business plan for the Plymouth Waterfront Business Improvement District.

The America’s Cup World series event has been officially hailed a huge success, with an estimated 115,000 visitors through the seven days of racing. There were over 1 million hits on the YouTube site covering the racing from the city showing the waterfront and Hoe in the most spectacular environment possible. The PCC inward investment programme attracted many influential visitors and resulted in proactive discussions in support of the growth of the city, including visits to potential development sites.

The transfer of key assets from the South West Regional Development Agency has been completed. These include Royal William Yard, Plymouth International Medical and Technology Park and reclaimed land at Stonehouse Creek. The Council has also acquired Derriford Business Park which is earmarked as a possible site for the proposed Derriford District Centre. These transfers support the plans for long term economic growth and the potential to create many jobs.

A new group has been established to keep a watch on the city's economic progress.

The Economic Intelligence sub-group of the Plymouth Growth Board will publish six-monthly economic reviews. By using a range of statistics, research, projections and business surveys, the reviews will provide a better understanding of what is happening in Plymouth's economy, and will provide a more robust analysis for the Level 1 and 2 targets

The first edition of Plymouth's Economic Review shows that over the long term, the city's economic performance has tended to fall behind the national average, but there were signs of improvement in the years leading up to the recession of 2008/9.

The report highlights the fact it is vital that the city must regain the momentum developed before the recession to ensure it is competitive in the recovery. The city's Local Economic Strategy (LES) provides the platform for this, identifying the economic development priorities for delivering sustainable growth in the long-term.

There is a shortfall in net budgeted income of £0.102m relating to increased voids and rental reductions linked with the current difficult economic climate. Forecasted savings in Business Support, the Waste Management project team and Strategic Housing offset these overspends.

The current overspend position of £0.096m for the cost of the America's Cup event managed by Economic Development will not be met from a contribution of £0.070m from the Leisure Budget until 2012/13; therefore the Department is expected to overspend by this amount in 2011/12.

Planning Services

The performance of the determination of Major Planning Applications within the prescribed timescale of 13 weeks has, so far this year, significantly exceeded the nationally set target of 60% by achieving a cumulative total of 78%

Strategic Housing

We will exceed the year end target for the number of new affordable homes delivered with good progress on sites as part of the £56M Affordable Housing programme running into next year, and providing over 1000 new affordable homes. We are nearing completion of contracts between the Homes and Communities Agency and a range of delivery partners for the new Affordable Rent Framework launched by the government this year, delivering new homes over the next four years as part of our Housing Plan 2012-17, which will be coming to cabinet for approval in December.

This includes an increased grant rate above the national average for the North Prospect regeneration project, as the only UK exception in an otherwise low grant regime, recognising the difficulties of delivering the largest regeneration scheme in the South of England. Although the number of potentially homeless people approaching the service has increased by 28% so far this year, our homeless prevention work continues to achieve the overall target.

Transport

The first phase of the Eastern Corridor transport improvement scheme is scheduled to be completed on 1st November. The changes will significantly cut congestion and improve traffic flow in the East End, hence making an important contribution to easing accessibility across the city.

There is a net forecast overspend of £0.095m mainly due to the work relating to the shoreline asset management plan and CCTV historical cost pressures which is an improvement of £0.075m from the position reported at the end of June.

Strategic Waste

Delivery of the long term waste PFI project continues within budget, following the submission of the planning and permit applications. The two capital environment projects at Chelson Meadow are similarly on budget and programme capping works and leachate treatment upgrade due to be completed by April 2012

People Management

Sickness levels are at 8.87 working days per FTE for the last rolling 12 months, against a target of 6 days and a council wide average of 10.18 days. This has decreased by 0.66 from the previous month as a result of initiatives led by HR including increasing management and staff awareness.

9.2 Delivery Plan Update

£0.640m (net) of delivery plans were set within the 11/12 revenue budget for Development and £0.240m are green (more than 50% achieved). Progress against the remaining red and amber delivery plans are summarised below and shown in detail on Appendix C. Any plans not delivered will be replaced by alternative savings. In addition there is an allocation of a further £0.150m of delivery plans where savings will be achieved from other directorate projects. These are included in the table below as "Other Delivery Groups".

Service	Red £000	Amber £000	Green £000	Total £000
Strategic Housing	0	0	210	210
Departmental (Loss of New Growth Points funding)	0	0	(1,020)	(1,020)
Departmental (including Growth Fund)	100	0	850	950
Transport	0	300	0	300
Economic Development	0	0	200	200
Other Delivery Groups	150	0	0	150
Total	250	300	240	790

9.3 Risks and Issues

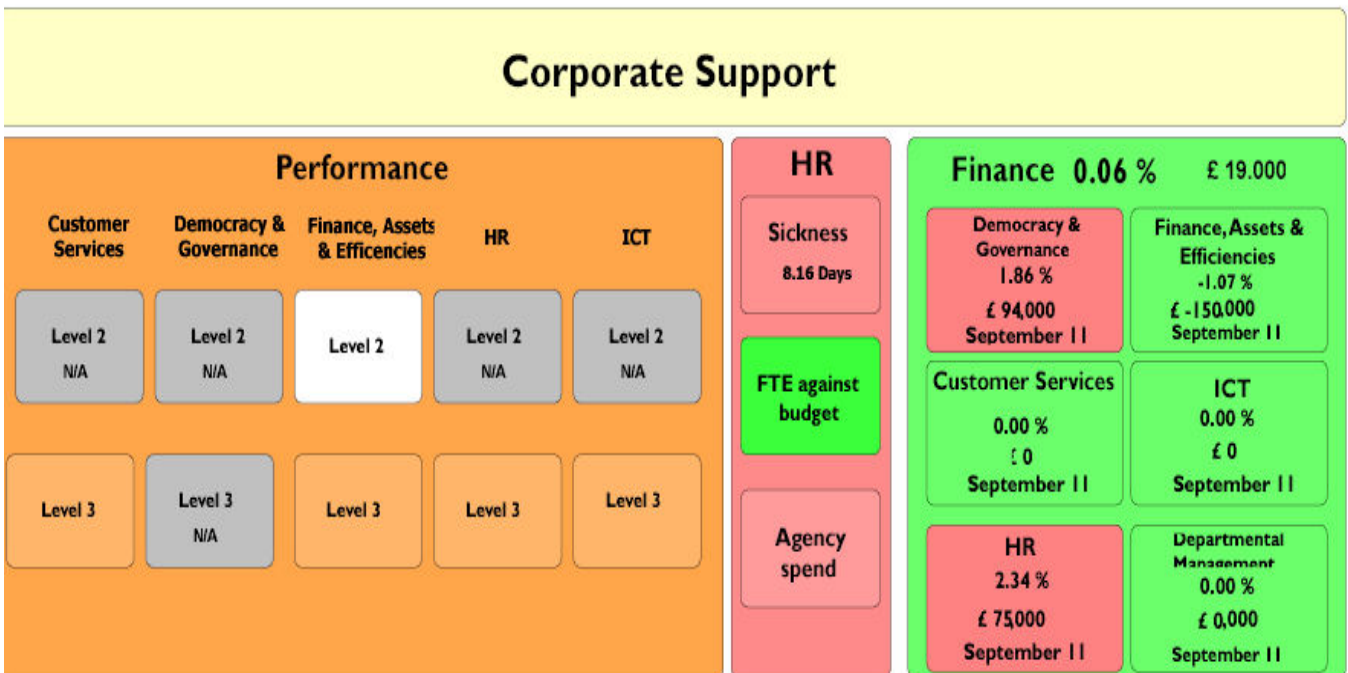
- Heavy reliance on income generation which is affected by market forces e.g. car-parking;
- Commercial rent income is becoming increasingly unreliable due to the current economic climate with a consequential cost of voids and rental reductions;
- Requirement to invest revenue resources to develop schemes which are 'ready to go' when the economic situation improves as growth is a key priority for the Council;
- Private Sector Renewal funding ceased from April 2011 restricting the amount of funding available for the removal of Category 1 hazards, energy efficiency measures, empty homes and impacting on adaptations work.

9.4 Medium Term Issues

- Resourcing a long term growth agenda rather than reacting to short term delivery needs will be challenging in the current economic climate
- Reduced public expenditure (from £8.4 billion to £4.5 billion for 2011 to 2014) will impact on our ability to deliver new affordable homes

10. Corporate Support

10.1 Scorecard - General Fund Revenue Forecast is an over spend of £0.019m



Responsible Officers: JP Sanders / Tim Howes / Malcolm Coe / Mark Grimley / Neville Cannon

Customer Services

Social Care complaints performance has improved significantly due to increased focus and assistance from colleagues in Legal services helping with the very heavy court case burden. However a review of the resources for this service are required, and will be presented to CMT, as there has been a steady increase in workloads. The non social care complaints performance was consistent through the month - however this will take careful handling over the next few months as responsibilities for this are handed over following restructure. Work in both areas is subject to new guidelines and policies coming from central government and the Information Commissioner. In addition the structure of the various Ombudsman is also subject to change as well, which we are monitoring.

Finance Assets and Efficiencies

The cumulative average time to process new Housing and Council Tax Benefit claims is currently 28.9 days against an annual target of 20 days. Performance has slightly improved since the first quarter when it stood at 29.7 days. The on-going restructure and an increasing workload which is now nearly 31,000 representing a 10% increase over the last year has had an impact on performance. The restructure will go live from 1st November and it is anticipated that performance will improve in the 3rd and 4th quarters once the team has bedded down.

National Non Domestic Rate collection (NNDR) is above target at the end of September standing at 65.85% against the in year target of 60.65%. Council Tax collection narrowly missed the in year target during this period recording 54.04% against a target of 54.28%.

The forecasted financial savings of £0.150m relates to an over-achievement of 2011/12 budget delivery plans, primarily regarding reducing staff costs.

HR and Organisational Development

Sickness absence continues to have a downward trend towards the Council's target of 6 days per FTE. New policies and procedures, as well as a focus on employee health is having the desired impact. Further management interventions and targeted programmes at key staff will continue. Staff are being encouraged to take up the winter vaccine against influenza.

Agency spend is marginally above tolerances, this is predominantly temporary capacity during restructures and time-limited project work that is more cost-effective for short-term engagements.

The Council is on target for the number of apprenticeships created to support work-based learning and skills.

ICT

Following last month's dip in availability of core systems, performance has resumed and is now above target.

Performance across the year in terms of numbers of Freedom of Information requests processed has improved. However, we are still below target and therefore further work along with process reviews are required to enable us to meet all expectations.

In respect of numbers of Subject Access Requests processed, quarterly performance had increased in July and August. However, a dip in September's performance was due to staff absence.

Democracy and Governance

Through ongoing efficiency savings and reductions in general running expenses in legal services, Officers have reduced the deficit figures. Officers are continuing to review options to cover the now reducing forecast adverse variation of £0.094m.

People Management

Agency spend is measured as a percentage of our overall monthly spend on wages (salary including on-costs plus agency costs). Agency spend stands at 5.42% of the overall wage bill for Corporate Support which is an increase of 1.11% from the previous month.

The Council has set a target of 6 working days per FTE. Sickness levels at the end of September are 8.16 working days per FTE for the last rolling 12 months, which is a decrease of 0.02 days per FTE from the previous month.

The council wide sickness statistics are 10.18 days per FTE for the last rolling 12 months.

10.2 Delivery Plan Update

Corporate Support Services has direct Delivery Plans totalling 2.360m for 2011/12. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery plan is attached as Appendix C

Service	Red £000	Amber £000	Green £000	Total £000
FAE/Customer Services	0	0	1,100	1,100
HR	0	0	400	400
Democracy & Gov.	0	380	130	510
ICT	0	50	250	300
Senior Management	0	0	0	50
Total	0	430	1,830	2,360

There has been slippage in some delivery plans. That said, this is a marked improvement on the position reported at the end of the 1st quarter. Overall, progress is encouraging with either some plans being bought forward or alternative actions put in place.

Cross Cutting Delivery Plans

In addition to the above there are indirect (cross-cutting) Delivery Plans within Corporate Support totalling £3.016m to be achieved through savings across the Council. The plans are being driven by Theme groups comprising of cross departmental representatives. Examples include:

- Delivering the accommodation strategy
- Driving savings from strategic procurement and
- Negotiating revised terms and conditions across the council

Service Lead	Red £000	Amber £000	Green £000	Total £000
FAE	0	1,246	850	2,096
Customer Services	0	100	0	100
HR	70	700	0	770
Democracy & Gov.	50	0	0	50
Total	120	2,096	850	3,016

Again, there has been a lot of improvement within this area; in particular we are starting to see tangible savings from the Procure 2 Pay (P2P) project.

10.3 Risks and Issues

- Challenge of improving support services whilst managing down spend and meeting delivery plan savings targets;
- Capacity within the department to support the Council's change agenda and challenging financial targets
- Ensuring that expertise is retained throughout the service and redundancy costs are minimised
- Accommodation Strategy – risk of not achieving required revenue long term savings through delays in obtaining a long term solution for the future of the Civic Centre.
- Any delay in the implementation of the new Customer Relationship Management system will delay the move of services into the Customer Service team and subsequent cross cutting delivery plan.

10.4 Medium Term Issues

Significant investment in ICT is still needed in order to facilitate much of the transformational change required across the council. Progress has been made through the accommodation strategy, and further efficiencies will be realised from next year following Full Council approval to invest in the SAP replacement payroll system.

The continued trend in Schools converting to academy status will have a significant impact on corporate support. The department will need flexibility in order to scale down services and overheads should less schools commission our services.

On-going economic issues could lead to a sustained increase in Benefits claimants, increasing workloads for a team that has reduced in size. In addition uncertainties about Universal Credit and the future delivery of benefits and the shape of NNDR reforms will hamper future planning.

Customer Services transformational change to provide cost effective service and to facilitate cross cutting efficiencies is dependent on the adoption and implementation of our single Customer Relationship Management system - Microsoft Dynamics.

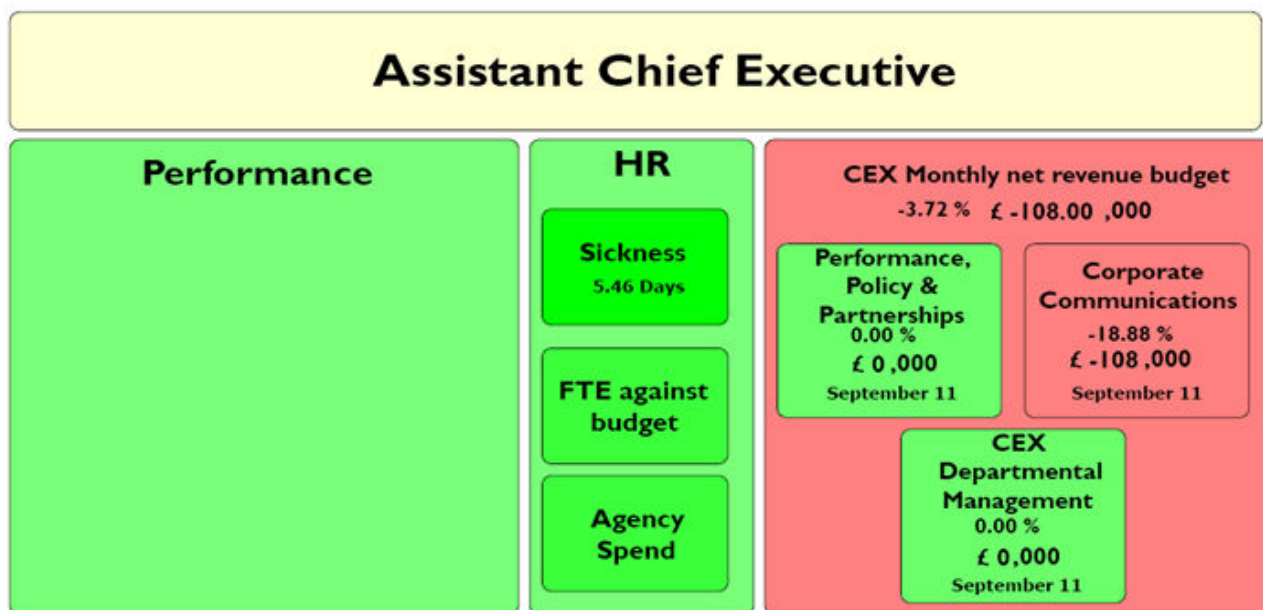
10.5 Invest to Save

Accommodation Strategy - The project is progressing well with several vacated premises generating £400k savings to date. On-going delays around the future of the Civic remain a challenge.

Procurement Category Management – we are now engaged with our advisors Agilysis and workshops and meetings with key personnel and DMTs are well progressed. A budget benefit realisation mechanism has now been approved by CMT and to date we have realised savings in excess of £350k. A monthly report is now being produced and savings signed off by each Directorate.

11. Chief Executive

11.1 Scorecard - General Fund Revenue Forecast is an underspend of £0.108m



Responsible Officers: Ian Gallin, Giles Perrit, Richard Longford

Chief Executive

The overall position in Chief Executives is currently forecasting £0.108m underspend. The Corporate Communications Unit has been working towards achieving the Chief Executive's Department's element of the Printing, Publicity and Advertising cross-cutting Delivery Plan. The mechanism for capturing these savings across the authority has still to be agreed hence the Delivery Plan is continuing to be reported as 'Red' and therefore the savings are now being declared as a monitoring variation.

Performance & Policy

Performance & Policy units across the Council have been merged into one unit within Chief Executives as part of a delivery plan .The implementation date for this new structure was 1st September 2011 and therefore the salary savings achieved from this process have now been established.

People Management

The Council has set a target of 6 working days per FTE. Sickness levels at the end of September are 5.46 working days per FTE for the last rolling 12 months, which is a slight increase of 0.10 days per FTE from the previous quarter.

The council wide sickness statistics are 10.18 days per FTE for the last rolling 12 months.

11.2 Delivery Plan Update

Chief Executive's has a total Delivery Plan of £0.4m for 2011/12. There is one direct delivery plan for the department and three delivery plans that will be delivered across all departments. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery plan is contained in Appendix C.

Service	Red £000	Amber £000	Green £000	Total £000
Performance & intelligence	0	100	0	100
Consultation	0	100	0	100
Corporate Subscriptions	0	100	0	100
Printing, publicity & Advertising	100	0	0	100
Total	100	300	0	400

Printing, Publicity and Advertising – RED

This is where we will challenge the current demand across the council and rationalise future publicity & advertising activity. The notional saving for the department is based on reducing 25% of total council expenditure. Agreement needs to be reached on how savings are removed from departments. The aim is for savings to be driven out by the new process for approving publications.

11.3 Risks and Issues

- The success in the Printing, Publicity and Advertising delivery plan is reliant on staff changing attitudes and ways of working.

11.4 Medium Term Issues

- Civil protection unit talks are still on-going with regard to the peninsular wide unit

12. Corporate Items and Cross Cutting Issues

Revenue budget forecasted out-turn

- 12.1 As with the previous quarter's report, no variation is currently forecast on the corporate items budget, despite a challenging target to deliver just under £1m of savings from treasury management activities. Whilst there have been some favourable one off items during the year so far, the ability to achieve significant returns from our cashflow investments are impaired by continuing low interest rates. The impact of this plus increased borrowing to support our increasing Capital Programme, is reflected in the Red rated delivery plan status. We are showing £295k as red against the delivery plan total of £600k

The Treasury Management Board is still focussed on delivering a break even budget at year end.

Capital Financing Budget /Treasury Management

- 12.2 Since the last quarterly report credit conditions have deteriorated with problems with sovereign debt in the Eurozone and credit rating downgrades for a number of banks. As a result of this the decision was made to reduce credit risk by using available cash flow to repay short-term borrowing on maturity. At 30 September 2011 the Council's borrowing stood at £213.598 compared to £261.408 at 30 June 2011. All borrowing activity during the year has remained within the approved borrowing limits. Investment at 30 September 2011 stood at £95.913m down from £162,109 at 30 June 2011.

Maturity limits on Investments were also reduced with the majority of deposits made in liquid call accounts. The average rate on investments taken in the period 1 April 2011 to 30 September 2012 was 1.0246% compared to a target rate for new deposits in the year of 1%. All investment activity has been undertaken in accordance with the approved strategy and counter party limits.

- 12.3 The Treasury Management Board continues to meet regularly to discuss the actions in respect of borrowing and investments in accordance with the approved strategy. Credit conditions have had an impact on savings achieved against the overall £0.924m target although borrowing and investment decisions made earlier in the year had achieved savings of £0.305m. This together with reductions in Minimum Revenue Provision (MRP) and other interest have resulted in total savings of £0.688m. The Treasury Management board continues to review options to achieve the shortfall in savings against target of £0.236m.

- **Debt Rescheduling**

Movements in gilts over the first half of the year have reduced PWLB loan interest rates meaning that there have been no opportunities to date to achieve savings from the repayment or rescheduling of long-term debt. It is unlikely that in the current climate interest rates will move in a favourable direction but PWLB rates continue to be monitored by Council officers and our Treasury management advisors Arlingclose to take any opportunity to make revenue savings as and when this occurs.

- **Investments**

Council Officers and Arlingclose will monitor credit conditions and further deposits will be made in line with the Council's Treasury Management strategy when conditions are appropriate for such investments.

- **Reserves**

The calculation of the impairment on Icelandic deposits in 2009/10 allowed for accrued interest to be credited to revenue over the next few years. This accrued interest resulted in a transfer of £0.324m to the Icelandic Bank reserve in 2010/11 to cover the possibility of an increase in impairment. The anticipated repayment of Icelandic bank investments is now looking more favourable than 12 months ago and this reserve may not be required.

Icelandic Bank Update

12.4 The Council continues to receive regular dividend payments in respect of its investment in Heritable bank with the following dividends received in the period April – September 2011:

	Principal £000	Interest £000	Total £000
April 2011	187	10	197
July 2011	122	6	128

Further, we can confirm the receipt of the next dividend at the end of October 2011:

October 2011	126	6	132
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This brings the total amount recovered to date to £2.037m (64.6%)

12.5 Investments in Landsbanki (£4m) and Glitnir (£6m) remain subject to court proceedings. The Council is expecting its claim to be heard by the Icelandic Courts in September 2011, with a decision likely either late October or early November 2011. If the outcome is known after publication of this report, an update will be given in a timely manner to Council as appropriate.

Based on the test case hearings, the Council is hopeful that its claims will receive priority creditor status and 100% of monies in Glitnir will be recovered, with recovery of money in Landsbanki at 95%.

The Council continues to work with Bevan Brittan solicitors and the LGA continues to actively pursue the recovery of its total investments.

Contingency

12.6 Standard practice is to set a revenue contingency budget which is held within Corporate Items. For 2011/12 this is £0.500m and, at this stage, although there are no commitments against contingency, it is assumed that the budget will be used in full during the year.

Budget Virements

- 12.7 The Council's net budget requirement was set by Council at its meeting on 28 February 2011 at £208.237m. Amendments to this overall budget can only be made by Full Council. 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.
- 12.8 Cabinet are now requested to approve the budget virements detailed in Table 9. All of these virements balance to zero with the overall council net revenue budget remaining at £208.237m

Table 8 – Virements over £100k for Cabinet Approval

Virements over £100k	£000's			
	Carry forwards	Delivery Plans	Other	Total virements
DIRECTORATE				
CHILDREN AND YOUNG PEOPLE SERVICES	0	(406)	0	(406)
COMMUNITY SERVICES	0	127	(203)	(76)
DEVELOPMENT & REGENERATION	100	0	107	207
CORPORATE SUPPORT	300	175	550	1,025
CHIEF EXECUTIVE	0	105	0	105
CORPORATE ITEMS	(400)	0	(454)	(854)
TOTAL	0	0	0	0

A brief explanation of these virements is as follows:

Carry forwards

- 12.9 As part of the Corporate adjustments at closedown, monies were approved for carry forward to 2011/12. These were £100k to support Development & Regeneration fund the America's Cup, and £300k to Corporate Support for the cost of urgent ex-school demolitions. These demolitions were urgent due to on-going Health & Safety concerns relating to vandalism of both sites. The funds were being held within Corporate Items.

Budget Delivery Plan (including Disaggregation of Business Support)

- 12.10 In the previous quarter's report, we advised that the Chief Executives delivery plan contains an action to deliver a new Corporate Policy and Performance service. This involves the transfer of functions, budgets and staff from both Children's Services and Community Services business support and strategy units to the Chief Executive department.

Other

- 12.11 As part of the management of the Carefirst project a movement of budget has been made from Community Services to Corporate items. There has also been a transfer of budget re flood water management from corporate items to the service area within Development, as well as a transfer of the Centralised Repairs budget from Corporate Items to Capital & Assets which sits within Corporate support.
- 12.12 Further virements will be required going forward, and will be reported in the quarterly reports as required.

Insurances

- 12.13 As reported last time, over the past quarter, the savings on service budgets have been clawed back from departments and held within corporate items pending the annual review of reserves and provisions at year end.

Working Balance

- 12.14 The Council's working balance stood at £11.518m at 1 April 2011. This equates to 5.2% of the Council's net revenue spend for 2011/12 and remains in line with the medium term financial strategy to maintain a working balance of at least 5%.

Revenue Invest-to-Save Reserve

- 12.15 In September 2010, as part of the 2011/12 Budget setting process, the Council approved the creation of a revenue "Invest-to-Save" Reserve in the value of £2.262m. During September 2011, CMT has undertaken a further review of all reserves and recognised that certain existing reserves are no longer required, and should be used to augment the Invest-to-Save reserve.

	£m
Invest-to-Save reserve balance June 2011	2.262
CIP reserve no longer required	353
Chief Executive 2010/11 Carry-forward	12
Corporate Capital Database 2010/11 Carry-forward	31
Corporate Support 2010/11 Carry-forward	66
Invest-to-Save reserve balance September 2011	2.724

- 12.16 Following discussions with Cabinet Members, CMT further recommend that the Revenue Invest-to-Save reserve is used to fund the purchase of an ICT Data Centre at Windsor House, at £1.3m; and used to fund road repairs in the city in the sum of £1.3m
- 12.17 The Council continues, as do most organisations, to place more reliance on the continuing availability of its ICT systems. Access to information, and the increasing use of hosted systems means that additional measures need to be taken to meet these operational needs, and to comply with the Civil Contingency Act 2004. The Council has previously agreed to build a data centre facility at Windsor House. The £1.3m now being sought will provide the additional equipment necessary to furnish this facility and to operate in this new, more resilient manner.
- 12.18 Plymouth roads, as in other cities across the country, have suffered due to recent extreme winter temperatures and resultant heavy frosts. Thaws have left the roads damaged with "potholes". Following a successful resurfacing and patching programme on the road network this financial year, additional funding of £1.3m has been allocated to deal with further phases of resurfacing. This money will help address the problem, and will be prioritised as required to best serve the city.

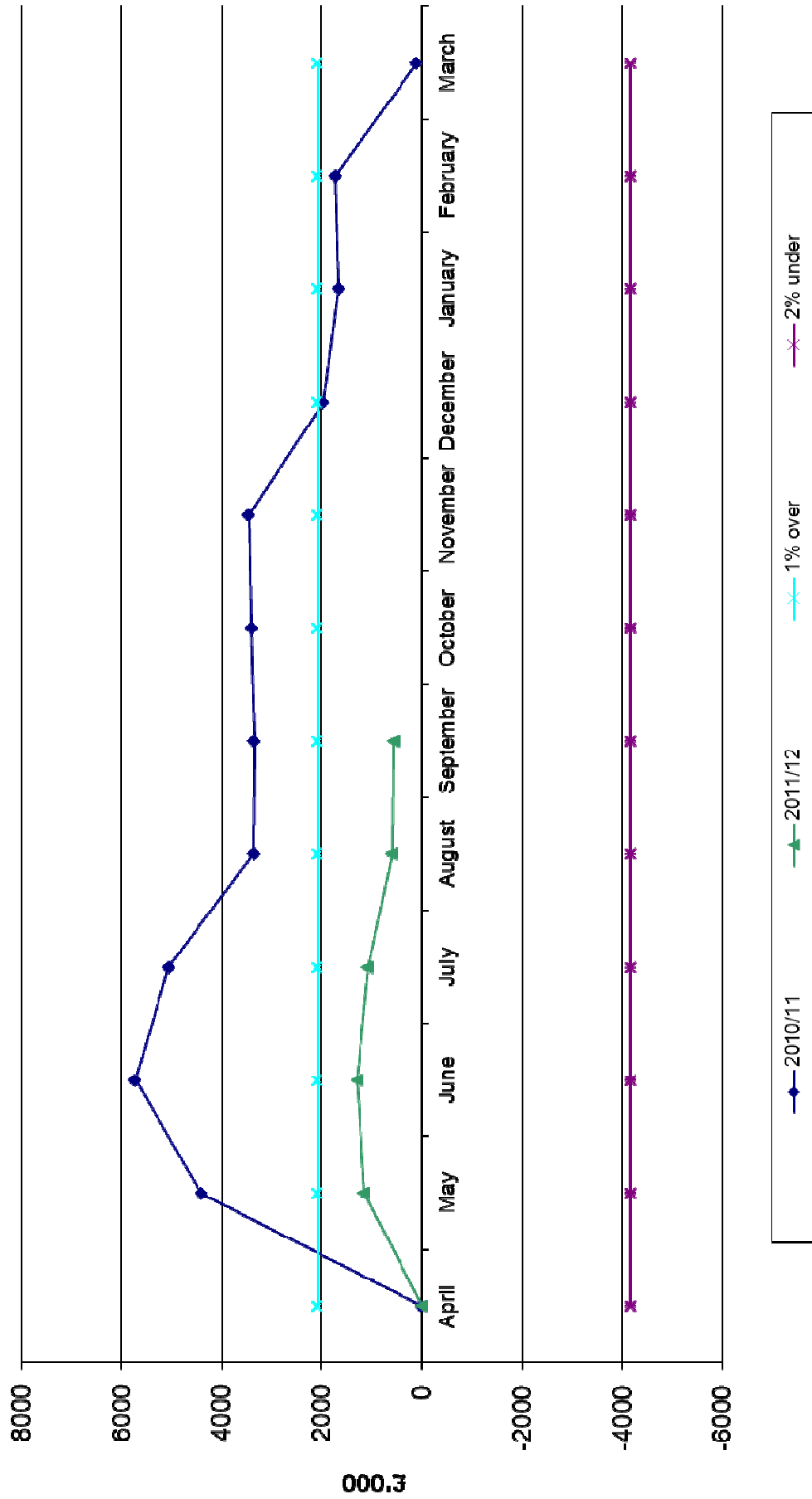
Recommendations

4. Cabinet approve the budget virements as detailed in Table 8.
5. Cabinet approve the consolidation of unrequired reserves, value £0.462m and detailed above, into the Revenue Invest-to-Save reserve.
6. Cabinet recommend to Full Council that the revised Invest-to-Save reserve be allocated £1.3m to the provision of an ICT Data Centre at Windsor; £1.3m to road repairs in the city.

SECTION E - CONCLUDING REMARKS

- 13.1 2011/12 is the first full year of significant public sector funding reductions under the new Comprehensive Spending Review. The council has prioritised reduced funding in order to continue to protect front line priority services.
- 13.2 2011/12 is year one of our three year budget, in which we need to achieve budget savings of £30m by 2013/14. It is imperative that the current year Delivery Plans are achieved in-year as they roll forward to underpin the budget for the next two years.
- 13.3 In total, the council has embarked on £15.742m of revenue budget delivery plans for the current year. Where possible, we have engaged in cross departmental officer groups to generate significant spending reductions in areas such as accommodation, business support and procurement.
- 13.4 Despite reduced funding, the council remains committed to improving services and has revised its performance management framework to ensure that key focus is maintained on performance measures that contribute most towards the council and wider city's priorities.
- 13.5 There are no critical issues to report on finance this time around, although there are some areas of variance within individual departments that require close scrutiny.
- 13.6 Revenue budgets are currently forecasting an end of year overspend of £0.569m. Departments will continue to bring forward new delivery plans in order to address this overspend.
- 13.7 During the second quarter, the percentage of Delivery Plans which are rated Green or Amber has increased from 84.5% to 89.5%. The remaining Red rated plans have therefore reduced from 15.5% to 10.5%.
- 13.8 The council still has an ambitious capital investment programme. With the inclusion of £19.1m for two academy schools, the projected capital spend over the next four years is in excess of £158m.
- 13.9 We face unprecedented reductions in future funding, and are continually receiving details of new Central Government initiatives. Officers are compiling appropriate responses to consultation documents for areas such as NNDR reform; Council Tax benefit reform. CMT has commissioned an officer working group to look at our planning for and response to welfare reform and related issues. The group's aims will include:
- Influencing National policy on welfare reform and related issues
 - Ensuring effective services for our customers most affected by the reforms
 - Recommending budget priorities in response to reforms
 - Planning medium-term strategy in response to reforms.
- 13.10 Officers are now working hard to put together the revenue budgets for 2012/13 to 2014/15. The draft budget will be signed off by Cabinet at the end of November, in preparation for our public scrutiny sessions scheduled for mid-January 2012.

General Fund Monitoring Comparison 2010/11 & 2011/12



Capital Programme – Variations and Re-profiling

Section 5.3 Table 6 cross-refers

£000	£000	£000	£000	Re-profiling for Approval
11/12	12/13	13/14	14/15	
785	236	(1,021)		<u>Basic Need</u> - Reprofiling of Basic Need (Wave 1) project expenditure based on revised cashflows. This will enable the provision of required school places for September 2012.
(197)	197			<u>Tor Bridge (Estover) Campus</u> – Reprofiling of forecast expenditure to revised cash flow. Project remains on time and within budget.
40	(45)	5		<u>Plymouth Life Centre</u> – Reprofiling of internal cost budgets to be used to fund the FF&E.
(81)	81			<u>Horsham & Staddiscombe</u> - An opportunity of additional funding from the Football Association for the Staddiscombe element of the project has led to the works being postponed in order that this can be explored.
(359)	359			<u>Corporate Accommodation Strategy</u> – Reprofiling of resources required for 2011/12 arising from changes in planned Business Case proposals.
(58)	58			<u>Woolwell & Mt Wise</u> - Rescheduling of improvements to Mutton Cove bus stop and to Woolwell roundabout.
(51)	51			<u>Royal Parade Crossing</u> – Reprofiling of the phase 2 works of this scheme into 2012/13.
4	(4)			<u>Leachate Treatment Works</u> - reprofiling.
(351)	351			<u>A386 George Junction</u> – potential compensation payments.
2,500	(2,500)			<u>East End Major Transport project</u> – cost of land acquisitions.
(1,607)	1,607			<u>Chelson Meadow</u> – Reprofiling of restoration works following detailed contractor negotiations.
625	391	(1,016)	0	Total Re-profiling for Approval

£000	£000	£000	£000	Other Variations for Approval
11/12	12/13	13/14	14/15	
(190)				<u>Devolved Capital for New Start Academies</u> – Reduction to the latest forecast in respect of these secondary allocations, which will now be paid directly to the schools rather than the Council.
33				<u>Additional School Contributions</u> – An increase to the programme in respect of school matched funding for projects, where this funding is sourced from revenue or other external means.
(57)				<u>Primary Capital Programme</u> - Saving achieved in Demolition Works at West Park School. Expenditure is reported as part of the Shakespeare school delivery.
(400)				<u>Devolved Capital Forecast</u> - This reflects the removal of centrally held devolved capital funding. This will be used to support the advanced profile of Basic Need expenditure as approved by the Schools Forum.
(31)				<u>Plymouth High School for Girls</u> – Minibus and mobile equipment.
(10)				<u>Devonport High School for Boys</u> – Boundary fence and gates.
19				<u>Eggbuckland Vale</u> – Car park resurfacing.
9				<u>Longcause</u> – Sports hall.
9				<u>Beaumont Park</u> - Variation re the installation of equipment (including benches) at Beaumont Park.
235				<u>Accommodation Strategy</u> – changes to the original works, ie, kitchen equipment and heating improvements at Martins Gate Referral Units and capitalised maintenance works at Windsor House, all funded from revenue contributions.
(28)				<u>ECO Homes - Garrison Close & Riverside</u> – Changes to the original scheme forecast.
30				<u>Smart Ticketing</u> - An increase to the current Smart Ticketing scheme which will be met by a contribution from Devon County Council.
(18)				<u>Strategic Property Acquisition</u> – Reduction on original estimate of fees.
(399)	0	0	0	Other Variations for Approval

Balancing the budget : Areas for savings, efficiency gains or increase income		Delivery Plan Savings		Progress Update	
		2011/12	Budget		Revised
		£000	Risk		R/A/G
1a	Transport: Cease concessionary transport from Sept '11 (over calculated in error, £280 was never achievable. New plans needed in 2011/12)	130	A	Transport Policy changes re cessation of Concessionary fares on track for implementation from Sept 2011. However, these changes will only produce a part year saving of £70k. Full year savings in 12/13 £120k	A
1b	Transport: Review Special School routes and develop a more flexible approach for Special Educational Needs Transport from Sept '11	80	A	Volatile budgets dependant on needs of SEN statements. A clearer position will be known by the end of October following on from the robust review of routes undertaken during the Summer	A
1c	Catering: Efficiency savings	150	A	Efficiency savings made on labour and food costs. Additionally the meal selling price has been increased to a more realistic level to reduce the amount of subsidy needed.	A
1d	Selling services to Academies	20	A	Buy back from Academies into the Education Welfare Service	G
2	Locality Restructure	100	A	Posts deleted from system	G
3	Disability Service Restructure	70	A	On track - deletion of posts and use of grant	G
4	Review staffing requirements in the light of changes to statutory Special Educational Needs policies	0	A	Restructure of SEN Services planned as part of department restructure	G
LEARNER & FAMILY SUPPORT TOTAL		550			
5	Equalities and Diversity reconfiguration	0	G	No action required for 2011/12. However, the service will be subject to a number of other DP's and a restructure that are being dealt with at DMT level	
6	Reduce Primary Advisory support	0	G		
7	Early Years - reduction in staffing	0	G		
LIFELONG LEARNING TOTAL:		0			
8	Recommissioning of placements years 0-24 in line with 'Diversion of Children From Care' PLAN	400	R	Cost and volume contract re-negotiated. In-house fostering recruitment assessments continuing. £0.260m market rate savings and £6k savings on existing frameworks. Performance scorecard developed to track Diversion of Children from Care strategy and this is reviewed each month so remedial action can be implemented as early as possible.	A
9	Staff reductions - Impact of reducing services	0	R	Supernumery posts (over establishment) now deleted and agency staff reduced. Permanent front-line staff recruitment under offer. Structures will contract in future years as the number of children in care is reduced whilst safeguarding is maintained	A
10	Secure Budget - Trends show that there has been a reduction in court ordered placements (£150k) Transport (£30k)	180	A	No secure placements used. However, the Home Office transfer of financial responsibility for young offenders remanded to the local authority may have an impact	A
11	Youth Offending Service - reduce PCC Contribution by 10%	50	G	Achieved realigning service - integrating preventative service with youth service	G
12	Review and reduce financial support and non statutory payments made to Care Leavers and review B&B	130	G	Achieved WEF 1/4/2011	G
13	Integration of various child care services - restructuring to deliver efficiencies	0	A	Intensive support service diverting children from care	A
CHILDREN SOCIAL CARE TOTAL:		760			

Savings delivered to Children & Young People by other budget delivery groups:

14	Performance and Intelligence: rationalise performance management, completion of government returns and data analysis across the council. 1/3rd of total planned savings applied to Children & Young People at this early stage of development	100	G	Informal staff consultation completed and restructuring is currently in progress	A
15	Administration & Business Support Review: Rationalise Business Support & Administration across the council. Includes savings generated from Care First project	220	A	Agreement to hold vacant posts pending formal restructure. Staff being surveyed.	A
16	Printing, Publicity and Advertising: challenge the current demand across the council and rationalise future publicity & advertising activity. Notional saving for department based on total council spend.	100	A	Budget reductions agreed and savings identified against cost centres. Actual spend to be closely monitored to determine level of savings achievable	A
17	Reduction in Senior Management: consistent with other departmental plan, objective of reducing senior management by 20%	50	G	Vacant posts identified for initial discussion and following Union consultation these have now been deleted	G
18	School Catering: Charge Schools for packed lunch catering arrangement* (Blue Collar Group)	60	A	Following confirmation of school lunch grant for 2011-12, work in progress to identify details and impact for affected schools. The required action will not come into place until April 2012	R
19	Area Based Grant reduction	350		EIG focus is shifting to prevention. EIG commitments reviewed and a programme of contract award is in place. Children's plan approved so now the remaining EIG can be targeted against priorities. Tendering and SLA's will be the next steps. Planned savings blocks on the EIG will target £2.005m savings which will contribute towards the ABG target DP20 above.	G
20	Early Intervention Grant reduction	1,700			G
SAVINGS FROM OTHER DELIVERY GR		2,580			
TOTAL OF ALL DELIVERY PLANS: CHI		3,890			

Green = clear plans in place / capacity to deliver identified / more than 50% of financial savings have already been realised

Amber = clear plans in place / capacity to deliver identified / clear milestones and project management arrangements identified / evidence of significant progress against these milestones

Red = no clear project plan / no milestones in place to evidence achievability of required revenue savings for 2011/12 and / or no clear capacity identified in order to implement the delivery plan.

Community Services Delivery Plans Sept '11

APPENDIX C

	Balancing the budget : Areas for savings, efficiency gains or increase income	Delivery Plan Savings		Progress Update	Revised R/A/G
		2011/12	Budget		
		£000	Risk		
1	Domiciliary Care Services: remodel in house provision	342	A	Reablement business case developed.	G
2	Supported Living: remodelling of services and standardisation of unit rates	262	A	Delivered	G
3	Care Management Services: reviewing of high cost packages and alternative service provision	200	A	Delivered	G
4	Day Care: remodelling of services and standardisation of unit rates	164	G	Delivered	G
5	Enabling and Floating Support: remodelling of services and standardisation of unit rates	463	A	Delivered or on track	G
6	Residential Care - Under 65: remodelling of services and standardisation of unit rates	570	A	On track	G
7	Workforce re-modelling: linked to CareFirst 6 and Charteris Business Process Re-design	320	A	On track.	A
ADULT SOCIAL CARE TOTAL:		2,321			
8	Events, grants and other funds initiatives	140	A	The delivery plans continue to be worked through to achieve the required savings	A
9	Reduction in revenue support grants - Theatre Royal & Pavilions	120	A	On target saving realised. Pavilions site market test will provide greater clarity on way forward for achieving future year savings.	G
10	Library Service: modernisation of service.	370	R	Library service review is continuing. £380k savings on track through staff restructure along with other actions within the service.	G
11	Museum: restructure	50	G	Savings realised through restructure.	G
12	Transfer of assets: transfer of assets / facilities to local community ownership.	0	R	Not due to commence until 2012/13, but research underway	G
CULTURE, SPORTS & LEISURE TOTAL		680			

Community Services Delivery Plans Sept '11

APPENDIX C

13	Performance and Intelligence: rationalise performance management, completion of government returns and data analysis across the council. 1/3rd of total planned savings applied to Community Services at this early stage of development	100	R	Community Services Staff included in ringfence. Restructure currently in progress	A
14	Administration & Business Support Review: Rationalise Business Support & Administration across the council.		R	Community Services engaged in project proposals but no firm savings yet identified.	R
15	Printing, Publicity and Advertising: challenge the current demand across the council and rationalise future publicity & advertising activity. Notional saving for department based on total council spend.	100	A	Community Services engaged in project proposals but no firm savings yet identified.	R
16	Equalities: Transforming Plymouth to self financing model and other reshaping of the service to reflect national changes, local priorities & deliver efficiency savings.	70	G	Post deleted and self financing model established. NHS have signed a short term SLA and negotiations over Longer Term SLA are looking positive.	G
17	Bulky waste: Increase bulky waste collection charge	15	G	The charges were increased on the 1st April 2011.	G
18	Management of Toilets: Transfer some public toilets from PCC to be maintained by others	200	A	Independent research into footfall is underway and a range of options will shortly be presented to Cabinet Planning	R
19	Playgrounds: Transfer some playgrounds to local community ownership	50	A	Dialogue with the community sector is underway and play spaces are being surveyed	R
20	Bowling Greens: Transfer some bowling greens to clubs / local community ownership	160	A	Plan to increase fees from April 2012 (Fee structure to be agreed), meetings with Bowling Clubs has taken place to discuss future options for alternative delivery models.	R
21	Cemeteries & Crematoria: increase fees above the rate of inflation	300	A	Charges were increased on 1st April 2011	G
22	Rationalisation of Environmental Services Structure	120	A	Completed. Posts removed from establishment by 1 April 2011	G
23	City water features: to be delivered by others	70	G	Annual maintenance was not undertaken however, a long term solution is still needed as water features are incurring cleaning costs	R
24	Reduction in Senior Management: consistent with other departmental plan, objective of reducing senior management by 20%	50	G	A range of options are currently being considered	A
25	Leisure Management Contract	250		The Leisure Management contract has now been awarded and will commence in February 2012 so there will be no savings in the current year. Full year savings will occur from 2012/13.	R
26	Review specialist placement spend	200		£217k identified to Sept 2011	A
SAVINGS FROM OTHER DELIVERY GR		1,685			

TOTAL OF PLANS FOR COMMUNITY S	4,686
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Development & Regeneration Delivery Plans Sept '11 Appendix C

Balancing the budget : Areas for savings, efficiency gains or increase income		Sep-11			
		Delivery Plan Savings			
		2011/12 £000	Budget R/A/G	Progress Update	Revised R/A/G
1	Family Intervention and Anti Social Behaviour: Review and rationalise the service to account for a total loss in Revenue Grant £682k	210	A	Saving to alleviate pressure achieved through reducing the service to fit the resources available in 2011/12, continuing to seek external funding, negotiating income from Registered Social Landlords £200k and EIG Grant £400k (£268k reduction from 2009/10). No sustainable solution identified for 2012/13 onwards.	G
2	Package of Transport Options: considering options for increased income and/or revised service provision. For example, subsidised bus fares, shop mobility, car park charges etc.	300	A	Savings identified to date: £130k from new concessionary fare repayment mechanism; £50k from Access Plymouth; £20k from income on S278/38 works. Shortfall in savings plans of £70k still being reviewed	A
3	Loss of Grant Funding: New Growth Points revenue grant removed (£1.02m). Replacement grant funding still requires further clarification	(1,020)	A	Already reduced expenditure/staffing to take account of lost grant as far as possible without adversely affecting growth agenda	G
4	Create a Growth Fund: creating a 'ring fenced' revenue growth fund from potential new revenue streams which are currently out to consultation and will become live from April 2011.	550	A	New Homes Bonus announced and ring-fenced through growth fund	G
	NEW Additional income to be achieved through new growth related revenue streams e.g. New Homes Bonus	300	A	New Homes Bonus announced and ring-fenced through growth fund	G
5	Economic Development: removal of remaining contribution to City Development Company.	200	G	Closure of the CDC delivered ongoing £200k saving, however, a CDC Legacy Fund working with the HCA and RDA has been created to support economic development activity	G
	NEW Additional income to be achieved through Fees and Charges	100	R	Department reviewing all fees and charges over and above those already built into the base budget and taking into account the difficult economic climate	R
DEVELOPMENT DIRECT PLANS TOTAL:		640			

Savings delivered to Development by other budget delivery groups:

6	Administration & Business Support Review: Rationalise Business Support & Administration across the council.	0	A	Department has already taken action to further reduce admin support in base budget of £66k.	A
7	Printing, Publicity and Advertising: challenge the current demand across the council and rationalise future publicity & advertising activity. Notional saving for department based on total council spend.	100	A	Department has already taken action to reduce service base budgets in these areas by £67k. Additional savings will be required to achieve this target and when identified during the year it is anticipated that the RAG rating will become green	R
8	Reduction in Senior Management: consistent with other departmental plan, objective of reducing senior management by 20%	0	G	Awaiting wider Corporate proposal but no impact on 2011/12	G
9	NEW Reduction in Senior Management: Accelerate implementation of senior management restructure	50	A	Awaiting wider Corporate proposal. Assumed to be effective from September 2011.	R
SAVINGS FROM OTHER DELIVERY GROUPS:		150			

TOTAL OF ALL DELIVERY PLANS FOR DEVELOPMENT	790
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Corporate Support Services Delivery Plans Sept '11

Appendix C

Balancing the budget : Areas for savings, efficiency gains or increase income		Delivery plan Savings		Progress Update	
		2011/12	Budget		
		£000	Risk		R/A/G
1	Finance: further refinement of the staff structure	100	9	Savings will be achieved in 2011/12 following the final changes to the Finance Management plus additional in-year vacancies	G
2	Corporate Property: Management restructure and efficiency savings on Facilities Management	100	6	Consultation with the Unions completed in February 2011. 3 Posts were removed in June 2011 and the £100k 2011/12 savings have started to be realised.	G
3	Cashiers: Revise and refine the council's approach to cash collection	100	12	Cashiers closed. Combined with plans 4, 5 & 7. We are now midway through the restructure process and new structure will be implemented from 1 September, with full savings coming on stream once staff are either redeployed or drop out of the PCC process.	G
4	Debt Management: better co-ordination of existing processes. Challenge the effective use of legal services / bailiffs etc	100	9	Combined with plans 3, 5 & 7. We are now midway through the restructure process and new structure will be implemented from 1 September, with full savings coming on stream once staff are either redeployed or drop out of the PCC process.	G
5	Income Generation: increase selling of support services externally and explore the potential for advertising on corporate assets	50	12	Combined with plans 3, 4 & 7. We are now midway through the restructure process and new structure will be implemented from 1 September, with full savings coming on stream once staff are either redeployed or drop out of the PCC process.	G
6	Audit Fee: Negotiate a reduction in external and internal audit scope and associated fees	50	6	Revised fee negotiated. Financial savings have been delivered. No FTE impact.	G
24*	Benefits Subsidy: Improvements to Housing Benefits subsidy claim to maximise income from benefit overpayments.	300	6	Joint work between finance and revs & bens has reduced our financial liability to DWP in respect of 2008/09 and 2009/10 claims. Improved processes to maximise HB subsidy claim. This financial saving is achievable based on current monitoring information.	G
7	Customer Services & Revenues & Benefits: integration of services, including Single Point of Contact & increased use of the Council website	300	12	Combined with plans 3, 4 & 5. We are now midway through the restructure process and new structure will be implemented from 1 September, with full savings coming on stream once staff are either redeployed or drop out of the PCC process.	G
8	Human Resources: staff restructure (relies on e-transactions, shared services & investment). To include a review of Trade Union Facilities	50	9	5.2 FTE reduction July 2011 further savings to be achieved through SharePoint and a new payroll database	G
9	Training & Development: review the provision of training throughout the department / council	350	12	Saving target includes ICT training team (£250k).	G
10	Democratic Services: reduce the level of Civic engagements and restructure the democratic support service	200	16	2 posts advertised and filled and Admin Support reorganised which allows deletion of 2 vacant posts. Consultation to begin on deletion of posts - additional pressures through delay in approving new Constitution and Scrutiny structure after June '11	A
11	Legal Services: Restructure the service and reduce support in non-critical areas	230	16	Discussion with finance over rationalisation of debt underway but delays have adversely impacted on elements of budget savings Legal Services are therefore revisiting its delivery plan to find alternative delivery methods.	A
12	Registration Service: challenge the structure and increase fees and charges	80	9	New fees and charges introduced, time lag due to advance bookings. Nationality checking being introduced as additional income stream.	G
13	ICT Support: Reduce support provided to departments and minimise duplication across the council (will need some ICT investment)	150	12	Departmental systems, infrastructure and telephony reviewed for duplication and reduced where appropriate. Further projected savings identified with replacement of legacy systems with enterprise solutions.	G
14	ICT direct costs: Reduce licence costs, lease costs, phone rentals, licences etc	100	9	Significant savings achieved by improved analysis and robust challenge of existing hardware and software licence portfolio.	G
15	Data Quality Project. Reduction in duplication across different systems	50	16	Awaiting investment in dynamics and data matching software to be agreed. The savings from this investment will accrue across other departments from operational savings.	A
16	Senior Management: Reduce Senior management structure/ costs by 20%	0	6	No plans in place to achieve this saving to date. Assessed as 'Green' (not Red) as no requirement for financial savings to be made in 2011	G
16a*	Senior Management: Accelerate implementation of Sen Man restructure	50	12	Requirement to bring 2013/14 savings forward to commence in 2011/12. No plans in place yet to achieve this saving hence risk assessed as red.	G
CORPORATE SUPPORT DIRECT TOTALS:		2,360			

Publicly Cross-Cutting: Savings delivered on behalf of, or reliant on, other departments

2011/12

17	Procurement: Procure To Pay / Buyer roll out. Driving efficiencies out of external purchasing	850	16	Buyers now in place for Corporate Support, Community Services, Children's and Development - processes revised and updated. Beginning to realise financial savings. Savings vs target will be closely monitored throughout the year.	G
17a	Corporate Support: Procurement *	381		Added target as part of the 2011/12 final budget setting process in February 2011. Proposed contingency of £400k from 2010/11 end of year adjustments.	A
18	Customer Contact Centre: bring in services from other departments into contact centre. Improve service & reduce costs	100	12	Social Care complaints now successfully moved and finalising plan to move car park telephone queries progressing well. Implementation of Microsoft Dynamics CRM critical to moving other services - progress dependent on installation of latest version of Dynamics which is behind schedule.	A
19	Employee Terms & Conditions: review and revise Terms and Conditions across the whole council *	700		At least £400k of the £700k savings target at risk due to delay in implementing the new Terms and Conditions.	A
20	Workforce Management: remove duplication with staff based within departments	70	8	Staff still within departments - next step requires CMT buy-in to moving resources into one co-ordinated organisational team	R
21	Print and Document Services (PADS) - consider options for future service delivery and/or increase productivity	0	20	Intending to undertake options appraisal back end of 2011/12. No financial or staff savings planned for next financial year	G
22	Accommodation Strategy	715	12	Vacated several satellite offices generating £350k under phase 1 from actions to date. Risk of not achieving £750k in 2011/12 due to delay in selling the Civic. Bringing forward Phase 2 asset disposals to mitigate this risk.	A
		150	12		A
23	Business Support: restructure across the Council - anticipated savings attributable to Corporate Support	50	9	This plan is aimed at saving significant sums of money across all departments through a comprehensive restructure of Business Support. No tangible plans in place as to how this will be achieved - hence assessed as 'Red'	R
CORPORATE SUPPORT INDIRECT TOTAL:		3,016			
TOTAL DELIVERY PLANS CORPORATE SUPPORT		5,376			

Chief Executive Delivery Plans Sep '11

Appendix C

Balancing the budget : Areas for savings, efficiency gains or increase income	Delivery Plan savings		Progress Update	
	2011/12	Budget		Revised
	£000	RAG		R/A/G
1 Performance and Intelligence: rationalise performance management, completion of government returns and data analysis across the council. 1/3rd of total planned savings applied to Chief Executives at this early stage of development	100	G	Lots of good work has been carried out to restructure in order to realise this DP within the timescales originally set - this has now been successfully implemented. The DP is still being reported as Amber as there is still a slight shortfall in achieving the targets originally set, however other ways on delivering these savings are being reviewed within the Department.	A
2 Performance and Intelligence: Impact of losing the Performance Reward Grant. Overall restructure linked to Item 1 above	0	G	Risk assessment included in PID. Main risks highlighted here	G
CHIEF EXECUTIVE DIRECT PLANS TOTAL:	100			
Savings delivered on behalf of, or reliant on, other departments				
2 Consultation: Better joined up / rationalised small team of dedicated consultation staff. Look at duplication between departments and ensure consultation activity is relevant and required	100	G	Although the restructure above addressed this action there is still a question over whether this activity is still being carried out within Departments, therefore the DP is resported as Red.	A
3 Corporate Subscriptions: challenging the need for subscriptions to professional organisations. Joining up subscriptions and/or removing non essential spend.	100	G	Departments requested to submit business plans. These indicate a substantial saving compared to previous years could be achieved in 11/12, exceeding budget targets but some departments are yet to respond. These savings will not be directly cashable. Final position will not be known until year end but will be monitored during the year.	A
4 Printing, Publicity and Advertising: challenge the current demand across the council and rationalise future publicity & advertising activity. Notional saving for department based on reducing 25% of total council spend.	100	A	Agreement needs to be reached on how savings are removed from departments. Savings are being driven out by the new process for approving publications but this will not deliver the corporate savings of £400k. To be raised/discussed at SMT	R
CHIEF EXECUTIVE INDIRECT PLANS TOTAL:	300			
TOTAL OF ALL DELIVERY PLANS FOR CHIEF EXECUTIVES:	400			

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CITY OF PLYMOUTH

Subject:	Visitor Plan for Plymouth
Committee:	Cabinet
Date:	15 November 2011
Cabinet Member:	Councillor Fry
CMT Member:	Director for Development and Regeneration
Author:	David Draffan, Assistant Director for Economic Development
Contact:	Tel: 01752 304472 e-mail: patrick.knight@plymouth.gov.uk
Ref:	PM/Democratic/CabinetReport13.09.11
Key Decision:	Yes
Part:	I

Executive Summary:

The Local Economic Strategy 2006-2021 and Beyond (LES) identifies the visitor economy (Tourism and Culture) as a priority growth sector which has the potential to generate 7,000 additional jobs over the next ten years. Tourism is a significant industry in Devon and Cornwall and this has been recognised in the heart of the South West (HotSW) LEP prospectus. The Visitor Plan is a key component of the implementation of the LES; setting out a framework for realising the potential of Plymouth's visitor economy to 2026.

The City Council's newly created Economic Development Service has a defined responsibility to support the economic development of the visitor economy i.e. tourism, leisure, hospitality and retail sectors (through Place Management). These sectors support over 30,000 jobs and remain an important part of Plymouth's economy with 3.5m day visitors and 2.4m staying visitors spending £252m per annum.

In April 2010 the City Council approved the Place Management Strategy, which gave Destination Plymouth (DP) responsibility for driving the City's visitor economy.

DP decided that the City needed a Visitor Plan to determine Plymouth's potential as a visitor destination and set out aspirations and the direction of travel to 2026. It has prepared the Visitor Plan using Blue Sail, specialist destination consultants, who consulted widely with visitor economy businesses and other stakeholders.

The City Council is asked to approve the Visitor Plan to ensure that its resources are effectively aligned and that there is a coherent framework for DP's detailed delivery plans, which includes a business plan, marketing plan and an events plan.

Corporate Plan 2011-2014:

Through partnership with Destination Plymouth, the City Council will attract more visitors and visitor spend, increasing the number of jobs within the visitor economy, encouraging enterprise, improving skills and making Plymouth a thriving regional centre. Destination Plymouth will work closely with the City Council to ensure land, property and transport infrastructure is in place to support growth and that jobs and wealth targets are met.

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

The City Council will continue to support Destination Plymouth at current levels of agreed funding and contribution in kind. DP will develop new private sector streams and sponsorship to deliver the Visitor Plan improvements and marketing activity. The City Council will support the development of visitor economy-led site opportunities and facilitate inward investment.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

None. Destination Plymouth, working with the City Centre Company and Plymouth Waterfront Partnership, will continue to ensure that its activities support these objectives.

Recommendations and Reasons for recommended action:

It is recommended that:

- 1) The City Council approve the Visitor Plan to be led and coordinated by Destination Plymouth and delivered in partnership with Plymouth City Council and other city stakeholders.
- 2) Approve development of European, Heritage Lottery Fund and other required bids to deliver the Visitor Plan.

Alternative options considered and reasons for recommended action:

The alternative is to not approve the Visitor Plan, which would reduce Destination Plymouth's ability to deliver the Plan and so threaten the creation of additional jobs and economic growth.

Background papers:

Draft Plymouth Visitor Plan

Sign off:

Fin	DevF11 120038	Leg	DVS 13247	HR		Corp Prop		IT		StratProc	
Originating SMT Member											

1.0 Introduction

1.0 In April 2010 the City Council approved the Place Management Strategy, which gave Destination Plymouth responsibility for driving the City's visitor economy.

1.2 Destination Plymouth are developing a citywide Visitor Plan to determine Plymouth's potential as a visitor destination and set out aspirations and the direction of travel to 2026. Destination Plymouth has prepared the Visitor Plan using Blue Sail, specialist destination consultants who have advised other destinations, including Liverpool, Cardiff and the Isles of Scilly, on how to grow their visitor economy. This Plan has been developed through a robust process of consultation, analysis and assessment, engaging a wide range of visitor economy businesses and other stakeholders, and endorsement by the Growth Board.

1.3 Destination Plymouth, along with the City Centre Company and Plymouth Waterfront Partnership, will work closely with the Economic Development Service to deliver the Visitor Plan through a 5 year business plan. This will include developing new additional private sector streams and sponsorship to deliver improvements and marketing activity.

1.4 The Visitor Plan responds to the city's Growth Strategy recognizing tourism as a priority sector. It will promote opportunities to positively raise the profile of the city in the UK and internationally, encourage spend and generate jobs and inward investment. It also plays a role in securing Plymouth's status as the regional city of Devon and Cornwall. These drivers have influenced the levels of ambition and priorities for the Visitor Plan.

1.5 The Visitor Plan is ambitious, though deliverable, but needs a bold response to make things happen. The Council has an opportunity to lead the way and set the pace of change by demonstrating a step change in approach and strongly supporting Destination Plymouth to kick start delivery. This is about wisely committing resources - people, time, skills and budgets - to deliver the plan and importantly to seize opportunity, help nurture partnerships and lever in additional partner funding and sponsorship.

1.6 Destination Plymouth, supported by the City Council, will ask everyone involved in the visitor economy to get behind this Plan support it and take a role in making it happen.

1.7 The Visitor Plan provides a coherent framework for DP's detailed delivery plans, which includes a business plan, marketing plan and an events plan.

1.8 The funding structure involves aligning existing City Council resources behind the Visitor Plan; working closely with the private sector, whilst also securing grants, sponsorship and revenue.

2.0 Visitor Plan

2.1 The Visitor Plan sets out a vision that reflects Plymouth's unique offer as a marine and Waterfront city, that is distinct from the rural and coastal experience that surrounds it:

- By 2020, Plymouth will be the UK's premier marine city and famous for its Waterfront. It will be recognised as unique among UK cities for its natural drama and for its 500-year old history of embarkation and exploration. Plymouth's continuing journey towards a world-leading marine city will support the cultural experiences it offers to visitors who are looking for authenticity and character.

The Visitor Plan recommends that Plymouth lead the growth of the visitor economy with its Waterfront and culture. Destination Plymouth will profile this distinct personality and make sure visitors understand what Plymouth stands for and what it offers. Culture and heritage will be integral part of the experience, highly visible to the visitor and part of the reason they choose to visit Plymouth.

The Visitor Plan asserts that the Waterfront is the city's strongest visitor asset and must be the showcase for the very best of Plymouth and all it stands for. However the City must deliver an all-round urban experience which also depends on an excellent city centre. In addition, the city needs to make more of its links to its green spaces.

This supports the City's existing overarching vision, focused on the development of the visitor offer.

The Visitor Plan's approach is as follows:

- Be clear about the visitor markets that offer best prospects and how we will reach them
- Be clear about why people should visit Plymouth, and how to create great experiences
- Focus single-mindedly on those actions that will deliver the best return on investment
- Deliver a small number of star projects that will set the standard and concentrate on making them happen to the highest quality.

2.3 Objectives and Targets

The Visitor Plan sets out ambitious targets, reflecting the scale of the opportunity to drive visitor spend, new jobs and inward investment.

2.4 Visitor Plan targets:

- 25% increase in visitor spend by 2020. This means annual visitor spend will rise by £63m from nearly £252m to £315m - achieved through increasing numbers of visits and diversification into new visitor markets including growing Plymouth's share of day visits and city short breaks.
- 4,000 new jobs in the visitor economy by 2026. The Visitor Plan targets deliver of 2,800 of these new jobs by 2020. (The LES is targeting additional jobs through other activities designed to secure a total of 7,000 jobs within the visitor economy). These jobs will largely be created across the hospitality, retail, leisure and accommodation sectors.
- To increase GVA by £84.4m.

2.5 Through delivery of improved visitor experience and marketing, the Visitor Plan will also:

- Raise Plymouth's national profile as a Waterfront city – through targeted PR, new events and activities.
- Strengthen Plymouth's position as the regional centre for Devon & Cornwall – creating a great day out and evening destination
- Raise the profile of Plymouth and its positioning as a place to visit and invest - particularly focusing on its outstanding marine credentials.
- Encourage new SMEs by generating demand for more places to eat and drink, distinctive independent shops, quality places to stay and an exceptional cultural offer that local people and visitors can enjoy.
- Create opportunities to lever in more private sector sponsorship to support visitor marketing activity and for major and signature events.

- Everyone involved in the visitor economy needs to get behind the Visitor Plan, support it and take a role in making it happen.

2.6 Star Projects

The Visitor Plan identifies a small number of 'star projects' that will inspire visitors to come, help get Plymouth talked about and enrich the city's distinctiveness. The projects must each be well designed and executed to a high quality.

2.7 Star Project (1) - Signature Events

The Plan underlines the potential for new and existing 'signature' events to raise the profile of Plymouth, underline key messages and deliver more visitors and spend.

Signature events are developed by the City that hosts them (e.g. Edinburgh Festival) and purposively designed to reinforce the City's brand, as opposed to major events that are brought in, often at high cost, no longevity or have questionable return.

Building on the legacy of the America's Cup and British Art Show, it recommends the development of three signature events that will be based on the Waterfront and embrace Plymouth's marine and cultural heritage:

- **Plymouth Marine Festival** – an annual new marine, waterfront and cultural signature event for the city linked to the proposed International Marine Festival, and leading to Mayflower 2020. The first Marine Festival will be held in September 2012. This will be led by Destination Plymouth, however each of its four strands – science, education, business and culture – will be developed by separate organisations.
- **'Sail Fest'** – building on Plymouth's current programme of sailing events, by increasing the number of onshore activities with family appeal and promoting the event programme under an umbrella brand. Plymouth's sailing calendar includes Race Week, Classic Boat Rally, Rolex Fastnet, and there are ambitions to grow this with further prestigious sailing championships.
- **British Firework Championships** – this signature event has been identified as a real asset, but Blue Sail have identified that there are real opportunities to further extend and strengthen this existing event, in particular through new commercial activity.

2.8 Star Project (2) - Telling Stories

The Visitor Plan recommends a joined-up approach to the design of interpretation, pedestrian/cycling signs and trails in the public realm. Creative and innovative interpretation delivers a well-connected and engaging environment that is a symbol of a successful city. It is about building identity and communicating it.

Telling Stories needs to make sure visitors can find their way about the city and encourage them to explore further and stay longer. It will do this in a way that encourages the visitor to appreciate Plymouth's heritage and culture while delivering practical information. The approach will be designed to be an attraction in its own right, designed to excite, amuse and invite debate.

Delivery will focus on those areas and projects with the greatest impact on the visitor economy which in the first instance will be the Waterfront and its links with the city centre, on trails, and routes along the Waterfront and gateways to the city.

The following provides a flavour of the scale and nature of the programme:

1. **City Centre** – Barbican / Sutton Harbour route – take people through attractive historic parts of the city, highly visible art installations to make the entry to the trail
2. **Along the Waterfront** (pedestrian, cycle and boat) – encourage visitors to explore the Waterfront more fully
3. **Sutton Harbour** – reinforce the distinctive quality of this area and trial new digital interpretation
4. **Royal William Yard** – promote links to the Waterfront Walkway and create a mini visitor destination
5. **Railway Station** arrival (pedestrian) – well designed welcome signs – information on digital access
6. **The Bus Station** – clear pedestrian and orientation signing
7. **Ferry Port** (car and pedestrian) – improved sense of place, arrival and welcome
8. **Along Waterfront** (links with further afield) – link cycle routes to themes and generate materials aimed at cyclists

Telling Stories will use the latest digital forms within the mix, creating opportunities for people to access layers of information that includes opportunities for crowd sourcing, digital information and for temporary and permanent commissioned pieces that create opportunities for local people to be directly involved in developing content.

Potential key themes / stories will be developed, specifically presented to appeal to the target markets, however they could include:

- Iconic history – Francis Drake, Bowls on the Hoe, Mayflower
- Other well-known historic and contemporary people associated with Plymouth e.g. Beryl Cook, Joshua Reynolds, Tom Daley
- Naval history – Captain R F Scott, war memorials, geneology
- Culture – liberty, religion and radicalism
- Application of knowledge and education
- Innovation and arts including engineering
- Famous Transatlantic ocean passenger arrivals – Walt Disney, Laurel and Hardy, Charlie Chaplin
- Intriguing heritage stories e.g. Plymouth Gin, Drake's Island
- Viewpoints e.g. The Hoe, Devil's Point, Mount Batten, Mount Wise

Implementation will be prioritised, staged and divided into projects. Destination Plymouth is seeking to identify potential European partner cities to develop an initial European INTERREG bid to develop Telling Stories interpretation. Other potential sources of grant funding will be explored e.g. Arts Council, private sector sponsorship. In particular it is also recommended that the City Council supports the development of a Heritage Lottery Fund bid as part of the Telling Stories star project building to the Mayflower 2020 anniversary.

Destination Plymouth will involve local stakeholders and the community in delivery of this star project.

2.9 Star Project (3) - Development Sites

Plymouth will take a joined-up approach to developing visitor economy-led site opportunities and facilitate inward investment. It will map available sites on the Waterfront to create packages for development and take to market.

There are two sites that offer particular opportunities for the visitor economy in the next 3-5 years:

Royal William Yard - work with Urban Splash to raise the profile and develop the potential to make Royal William Yard a mini-destination for visitors, including the Plymouth History Centre, Ocean Studios and Plymouth Arts Centre offer.

Commercial Wharf – an opportunity to use a series of arches for creative leisure uses; maximising the opportunity to increase independent creative businesses on the Waterfront that further reinforces the city's cultural credentials.

The success of the Visitor Plan hinges on delivery of all the Star Projects, as each reinforces and strengthens the benefits of the other. Thus improved signature events will create a platform for improved destination marketing; whilst improved links, trails and interpretation will improve the visitor's experience, and create better opportunities to promote the city's marine and cultural identity.

3.0 Markets and Marketing

3.1 DP's marketing plan aims to transform the way Plymouth is marketed as a visitor destination. The Plan is based on robust research of target markets that will deliver the best return on investment. It recommends that Plymouth should begin by growing the volume of day trips, by presenting the experience more strongly so that it becomes a 'must do' day trip. In 2-3 years we will develop new and higher value UK short break markets. In the longer-term Plymouth will build on the city's special relationship and associations with the East Coast US market.

3.2 The main target markets are summarized as follows:

Day Trips - Resident Trippers; Entertainment Seekers

Staying Trips – University Friends and Family; Cultural Couples, US East Coasters

Business Trips – Business Connections; High Value Specialist Conference

3.3 The marketing plan describes what each market segment are looking for, why they are a priority for Plymouth, the key messages that are most likely to secure their visit, and their potential value to the local economy.

3.4 The plan also describes routes to market, to enable the city to take a tight focus on both markets and communication channels. Destination Plymouth will oversee the marketing plan and deliver some of the activity directly; other elements will be outsourced and delivered by partners. Initially it will focus on:

- Appointment of a dedicated Visitor Marketing Manager to lead on destination marketing delivery.
- Set up a fully interactive, first-class destination website and digital marketing platform.
- Set up a Customer Relationship Management system.
- Build destination PR to start building Plymouth's profile and reputation.
- Develop e-marketing for target markets.

3.5 The Positively Plymouth branding will be further developed and integrated into all visitor destination marketing. DP's marketing plan identifies specific target markets, and the messaging and media needed to best attract these different visitor markets to Plymouth.

3.6 Other specific destination marketing activity will involve support for conferencing, group travel and boat services:

- Manage a web portal and an enquiry response service for Conference Plymouth.
- Members of Conference Plymouth to subscribe to a subvention fund.
- Work with coach companies to design itineraries that include trips to Plymouth attractions and experiences.
- Develop coordinated boat services and clear digital information on the Waterfront and online.

4.0 Business Plan

4.1 It is essential that there is sufficient resource to deliver the Visitor Plan; ambition and commitment alone will not enable the step change Plymouth requires. DP's business plan (4-years rolling) identifies how sufficient money and people can be secured. However the business plan is being developed in a time of recession. Destination Plymouth and its partners recognise that public sector funds are tight and the private sector has less financial resource too. Plymouth has to think smart to make its available funding work overtime for the city.

4.2 Destination Plymouth and its partners will target annual additional project budgets of a minimum £300,000 each for both destination marketing and events so that the city has sufficient resource to compete with its peers. The majority of the implementation budget of £300,000 for signature events will be invested in creating the new marine/cultural signature event.

4.3 The delivery plan is based on the following principles:

- Align existing City Council resources behind the Visitor Plan
- New private sector funding
- Leverage of new funding from sponsorship, commercial revenue and grants

4.4 Destination Plymouth will seek resources for various areas of the Visitor Plan, including contributions from Plymouth City Council (a proportion of legacy funding from Plymouth City Development Company); City Centre Company BID; Plymouth Waterfront Partnership (potential BID); commercial funding generated from the commercial rental of City Council owned land in City Centre and Waterfront areas; proportion of income generated through advertising packages in the city; sponsorship (including for the new marine/cultural signature event), grant applications and affiliate membership of Destination Plymouth.

4.5 The investment made into the signature events and destination marketing activities will create a means to showcase the city to new investors and visitors, creating new opportunities for sponsors to benefit from access to these currently untapped markets and thus enabling Destination Plymouth to attract and lever in new resources to deliver the Visitor Plan.

4.6 The City Council's existing budgets will be aligned behind the Visitor Plan. During 2012/15 the City Council's total contribution will be £1,395,716, which includes £644,716 in staffing costs. This would provide a stable platform to grow private sector support for delivery of the Visitor Plan.

4.7 In addition, the Visitor Plan targets new private sector contributions. In 2012/13 the plan targets an increase of c.£250,000 from sponsorship, income generation and grants.

4.8 The business plan is based on the concept of incrementally increasing income available to Destination Plymouth for delivery of the Visitor Plan. Year by year, as the scale of signature events and marketing activities increase in scale and impact, they will enable Destination Plymouth to attract additional private sector / partner funding/grants, commercial sponsorship and advertising spend, thus growing the marketing and event activity (and associated investment opportunities) further.

4.9 Visitor Information

It is also recommended that a review of the existing TIC operation be completed, and that a mobile TIC service be considered which can be used to greet cruise ships, attend major events and provide enhanced customer service where it is most needed.

Plymouth will promote a joined up, cost effective, consumer focused visitor information service, using print, digital information, personal contact, and will consider different innovative approaches.

New information points will be delivered at visitor venues across the city at gateway sites and tourist attractions. Venues will offer displays, leaflets and access to digital information using smartphone technology.

4.9.1 Other key actions

Further, the plan recommends the following actions:

- Appoint a Visitor Economy champion.
- Develop an Employment and Skills Action Plan.
- Develop and agree a Skills and Employment Accord to deliver local jobs for local people.

Monitoring and evaluation of the impact of Visitor Plan delivery:

- Commission annual Cambridge Model Visitor Survey.
- Develop and undertake surveys to measure visitor, business and community perceptions and benefits.
- Work with the Economic Development Service to ensure that the visitor economy is covered in wider monitoring and evaluation work.

5.0 Events Strategy

5.1 DP will lead on and coordinate event marketing. Aligned with the Visitor Plan, and to reflect the prominence of events within it, a separate but linked PCC Events Plan 2011-20 is being produced, that will work in tandem with the Visitor Plan.

5.2 The development of large scale events and festivals is also embedded in the City's Culture Strategy 'The Vital Spark' as well as being a big driver in the Local Economic Strategy.

5.3 The Visitor Plan recognises that there are a range of local events which do not necessarily have high income or investment potential, but are nonetheless very important to the city in contributing towards its community aims and civic pride.

6.0 Risk Assessment

There is a risk that Destination Plymouth will not secure sufficient resources to fully deliver the Visitor Plan. Should this occur there will be a need to review, reduce and prioritise activities within the Visitor Plan. For example, if income targets for marketing purposes from partners and commercial lettings are not achieved, there would be a need to review and prioritise the marketing activity to maximise impact on the most important markets.

7.0 Recommendations

It is recommended that the City Council:

- 1) Approve the Visitor Plan to be led and coordinated by Destination Plymouth and delivered in partnership with Plymouth City Council and other city stakeholders.
- 2) Approve development of European, Heritage Lottery Fund and other bids.

BLUE SAIL ▶

VISITORS PLACES DESTINATIONS

PLYMOUTH VISITOR PLAN

REPORT FOR DESTINATION PLYMOUTH

NOVEMBER 2011

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A Business Plan and Marketing Plan support the Visitor Plan providing further detail and rationale.

1 THE VISITOR PLAN AT A GLANCE

This is a Visitor Plan for the city. It is a framework for realising the potential of Plymouth's visitor economy and making Plymouth a city of great experiences. It captures the vision and priorities for tourism and the visitor economy and is designed to be read by a wide audience.

This Plan has been developed through a robust process of consultation, analysis and assessment. Our Business Plan and Marketing Plan are separate documents that provide the detail on how we are going to achieve our objectives. A series of background papers create the evidence base for our recommendations.

Everyone involved in the visitor economy needs to get behind this Plan, support it and take a role in making it happen.

Destination Plymouth and its stakeholders will take an innovative approach to delivering the Visitor Plan. Innovation is part of Plymouth's culture and we will embrace opportunities to test and pilot new approaches and invite creative inputs.

Tourism is one of six sectors prioritised within the *Local Economic Strategy 2006-2021 & Beyond (LES)* and is a priority for the city's growth strategy. Tourism is a significant industry in Devon & Cornwall and has been recognised in the Heart of the South West (HotSW) LEP prospectus.

We recognise Plymouth's offer as a marine and Waterfront city is distinct from the rural and coastal experience that surrounds it, so we need a bespoke approach. We need to be smart about understanding what that means for Plymouth and what unique positioning we can take. We will use the latest thinking on how to develop, deliver and promote tourism as part of taking a comprehensive and fresh look at the visitor economy. That includes supporting the development of an all year round cultural programme set out in *The Vital Spark: a cultural strategy for the city of Plymouth 2009-2020*.

WHAT WE ARE TRYING TO ACHIEVE

This Visitor Plan is a guide for Plymouth to achieve its potential as a destination and use the opportunities of the visitor economy to lead and support city-wide aspirations and priorities. **We have prioritised markets, approaches and projects that offer Plymouth comparative**

advantage; deliver the best return on investment and which will encourage inward investment. This is about focusing on less and doing it well to achieve more. We are targeting more and diverse visitors, new markets and higher spend to deliver our targets.

We are leading with the best prospects for Plymouth, so that resources – finance, skills and time – are used to best effect to deliver a prosperous and sustainable visitor economy.

OUR VISION

By 2020, Plymouth will be the UK's premier marine city and famous for its Waterfront. It will be recognised as unique among UK cities for its natural drama and for its 500-year old history as a place of embarkation and exploration. Plymouth's continuing journey towards a world-leading marine city will support the cultural experiences it offers to visitors who are looking for authenticity and character.

OUR OBJECTIVES AND TARGETS

To grow visitor numbers by 20% by 2020 and visitor spend by 25% - that means 800,000 additional visitors and that visitor spend will rise by £63m from nearly £252m to £315m

To create and sustain 4,000 new jobs in the visitor economy by 2026 – 33% increase on current numbers

To increase GVA by £84.4 million

To strengthen Plymouth's position as the regional centre for Devon & Cornwall – by creating a great day out and evening destination

To raise the profile of Plymouth and its positioning as a place to visit and invest - particularly focusing on its outstanding marine credentials

To generate demand for more places to eat and drink, distinctive independent shops, quality places to stay and an exceptional cultural offer that local people and visitors can enjoy.

THE BIG PICTURE

Plymouth will lead its growth of the visitor economy with the **Waterfront and culture**. The Waterfront is our strongest asset; it is a space that captures our history and where we can showcase the best of Plymouth. This is a creative city with a vibrant cultural sector. We will profile that distinctive personality and make sure our visitors understand what Plymouth stands for and what it offers. Plymouth is not well-known as a visitor destination so we have a real opportunity to shape perceptions positively. Culture and heritage will be an integral part of the experience, highly visible to the visitor and part of the reason they choose Plymouth.

We will develop the total experience to deliver a strong, safe and sustainable destination underpinned by consistent high quality facilities, information and service designed to meet the demanding needs of our target markets – visitors who are well-travelled, sophisticated and looking to discover something new and different.

Within the destination we have identified a small number of **star projects** that will help set the aspiration and deliver new jobs. These are the projects which will help Plymouth deliver on its tourism vision, get Plymouth talked about and enrich the city's distinctiveness. They will inspire visitors to come and will help them enjoy their visit. Each star project helps to underline the city's Waterfront, cultural and heritage credentials. They are balanced by actions that celebrate and make better use of all the assets our city already has – its setting, its attractions, its associations, its green open spaces.

The Waterfront is a natural arena, so we will maximise the opportunities of sailing events that raise the city profile and animate the water to create a vibrant atmosphere. We got off to a great start by securing the America's Cup Series for Plymouth in 2011. We will make sure we build on the legacy opportunities this offers and build our sailing events leading up to Mayflower 2020. Events are important to Plymouth because they provide reasons to visit and opportunities to showcase our city and our culture. Individual events are star projects for the city.

We will find creative and innovative ways to **tell the stories** of Plymouth, to open up the city and encourage people to explore and experience the history of Plymouth first hand. We will bring to life stories and people from the past and tell the stories of our contemporary characters too. Our ground breaking approach to linking accessible information and interpretation will get Plymouth talked about and be an attraction in its own right. We will encourage visitors to set out on the water to explore further and to explore our green open spaces on the fringes of the city.

We aim to create a vibrant Waterfront and city centre all year round; in the day and in the evening with plenty to see and do. We will present the city as a good place to do business and to invest in a business.

We will welcome and encourage growth in new and accessible hotels and B&Bs across the city – bespoke, boutique and independent - that project the personality of Plymouth and which appeal to our target markets. Growth in new and higher spending short break markets will encourage investment in existing hotels. That investment is essential to grow the short break market and optimise the potential of business tourism.

We will spend the first two years raising the profile of the city, consolidating existing day visitor and regional markets and getting right the public realm and the visitor experience so it is ready to welcome new visitors and investment.

We will then focus on delivering new visitor markets to Plymouth - UK short breaks and East Coast USA - and ensuring we deliver on the star projects, new experiences and a better tourism infrastructure.

HOW ARE WE GOING TO GET THERE

*Be clear about the **visitor markets that offer best prospects** and how we will reach them*

*Be clear about why people should visit Plymouth – what's the offer and how is it distinctive? We'll create **great experiences** – things to do, places to stay*

*Focus single-mindedly on those actions that will **deliver the best return on investment** for the city, its economy, its profile, its people and its environment*

*Identify a small number of **star projects** that will set the standard and concentrate on making them happen to the highest quality*

Be clear about the order in which things should happen

OUR STAR PROJECTS

Signature and Major Events



Royal William Yard



Commercial Wharf



How it might look in the future. Brighton's arches

Telling Stories - Quality Public Realm and Trails



HOW WILL WE MEASURE SUCCESS

We will use the following indicators to measure progress at year two and year five and again at year 10.

- ▶ Higher profile of Plymouth as a city to visit
- ▶ Numbers of jobs created and sustained
- ▶ Growth in volume and value of tourism
- ▶ Greater community pride, cohesion and safety
- ▶ Greater visitor satisfaction

2 WHERE WE ARE NOW

It is a competitive and noisy marketplace with destinations jostling for prime position. Today’s visitors are footloose, sophisticated, well-travelled and looking for distinctive and new experiences. They have a wealth of destination choices and want the destinations they choose to say something about their values and their lifestyle. We need to be clear about what that means for Plymouth and where the real opportunities lie.

LOOKING OUTSIDE

This strategy is starting out in a time of economic downturn and uncertainty. It is widely accepted that as we come out of recession the world will not return to the way it was before. We are entering a new era with new ways of thinking and different ways of doing things. However within uncertainty there are new trends emerging that offer Plymouth some real market opportunities.

<p>The staycation is here to stay</p> <p>The latest VisitEngland research suggests that staycations are a trend not a fashion – that means more British people now include Britain on their choice of holiday destinations – Plymouth needs to attract more day trips from visitors on a staycation in Devon & Cornwall.</p>
<p>Cities are about short breaks</p> <p>Plymouth needs to stake a claim and become part of that city short-break market – it needs to carve out an offer that is clearly differentiated from the large metropolitan cities such as Manchester and Liverpool and also different to the traditional historic cities such as Chester or York.</p>
<p>The importance of keeping it real</p> <p>The recession is fast-forwarding a trend to seek out a more balanced and simpler way of life that is about returning to traditional values - enjoying the great outdoors, respecting and valuing the environment, chilling out and valuing ‘quality time’ with friends and family. One of Plymouth’s strengths is its quality of life as a place to live and work; great open safe spaces, on the doorstep of some of the UK’s best coast and countryside but with many of the conveniences and diverse culture that a city offers. It is part of the place marketing message and we need to make it work for visitors too, especially the younger culture & explorer markets.</p>

There will not be the same public intervention available for major capital tourism development projects in the future, so we need to be more commercial in our outlook and find new ways to achieve profile and to attract visitors.

LOOKING INSIDE

Here is the starting point for Plymouth. The table shows a relatively small volume of overnight stays yet high room occupancy at a low per room yield. That means to grow volumes of overnight visitors requires increasing and diversifying the hotel offer and attracting higher spend markets. Currently, Plymouth is heavily reliant on repeat and day visitors with a slightly below average spend. So we need to make Plymouth a more attractive day trip proposition too.

UK Market¹ International market

- | | |
|--|--|
| <ul style="list-style-type: none"> ▶ 3.5 M day trips ▶ 513,000 overnight trips ▶ 1.66 M nights ▶ £250 M spend ▶ Average length of stay is 3 nights ▶ 63% of nights are for holiday, 28% to visit friends and relatives, and 5% on business | <ul style="list-style-type: none"> ▶ 71,000 trips ▶ 24,000 nights ▶ £1.75 M spend ▶ Average length of stay is 9 nights – overseas students on longer trips push up the average length of stay but may depress the average spend figures ▶ 34% of nights are for holiday, 9% to visit friends and relatives, 22% on business and 32% study |
|--|--|

Occupancy²

- ▶ 75.5% hotel occupancy
- ▶ £54.96 – av. room rate.

¹ South West Tourism 2008 for Plymouth Unitary Authority using Cambridge Model

² Blue Sail research

3 OUR MARKETS

Plymouth will begin by growing the volume of day trips as part of positioning the city as the regional centre - for people living or doing business in Devon & Cornwall or on holiday there. Plymouth already attracts visitors on a seaside or countryside holiday into the city for a day out but **we want to present the Plymouth experience more strongly, so it becomes a ‘must do’ day trip.**

We will also develop new and higher value UK short break markets. **We want to position Plymouth as a city-break destination in its own right. We will optimise our special relationship and associations with North America by targeting the East Coast US market** in the longer term.

We will continue to take care of our existing markets and aim to increase their value to the city through increased spend. This is particularly relevant for the coach market. Currently Plymouth is an overnight stopover for coach parties but the city’s attractions are frequently not included on itineraries. We will work with coach companies to design itineraries that include trips to Plymouth attractions and experiences.

Here is some more about our target markets and why they are a priority for Plymouth.

	Who they are	What they are looking for	Why they are a priority for Plymouth
Resident Trippers IMAGE	Day trips from home within 60 minute drive time	City centre shopping Events Nightlife Theatre	Easy to reach and exploits Plymouth’s role as regional centre.
Entertainment Seekers IMAGE	Families, day visitors from within 90 min travel time staying in holiday camps/caravans	Day away from beach City centre shopping Entertainment for kids Events	Relatively easy to reach High spend
Boden Set IMAGE	Families, day visitors from within 90 min travel time staying in quality self catering	Rainy day alternatives Active days out in the city Educational	Relatively easy to reach High spend

		Interesting places Events	
STAYING TRIPS			
Uni VFRs IMAGE	Friends and family of students at Plymouth university	Experience of the city Restaurants/cafes	Relatively easy to reach Opportunities to extend stay and additional visits.
Cultural Couples IMAGE	ArkLeisure segments Discoverers & Cosmopolitans – 30+, no kids, from London, Birmingham and Manchester train route corridors	New place to visit Independent shops Places to eat and drink Interesting environment Events	High spend Changes Plymouth’s visitor profile
US East Coasters IMAGE	Baby boomers and seniors with English heritage living on USA East Coast	Places of historic interest Historic attractions Mayflower and emigration stories	High spend
BUSINESS TRIPS			
Business connections IMAGE	Devon & Cornwall day meetings and seminars	Value for money meeting spaces Convenient location Places to eat and drink	Exploits Plymouth’s role as regional centre
High value specialist conference IMAGE	Business people, researchers and academics linked to the university’s specialisations and professional networks.	Right professional networks Places to eat and drink Interesting environment	Mid- high spend

4 TALKING ABOUT PLYMOUTH

Plymouth does not have a high profile as a visitor destination. Outside Cornwall & Devon there is relatively low awareness of what the city has to offer or what to expect when you get here. That means **an important first step is to generate good PR to get Plymouth talked about more, so that our target markets develop an understanding of what Plymouth is about as a city and what it stands for**, so that they begin to think about putting it on their list of 'must see' destinations. We need to talk about Plymouth to a national audience to put the city on the map. There are some strong PR opportunities already in the events calendar.

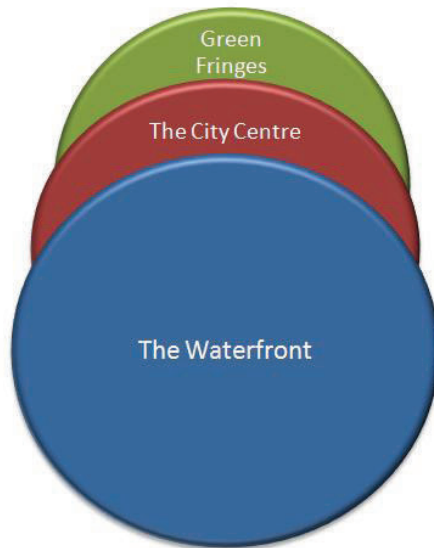
- ▶ British Art Show 2011
- ▶ America's Cup World Series 2011
- ▶ Mayflower 2020.

These need to be supported by other opportunities that profile Plymouth as:

- ▶ A marine and Waterfront city
- ▶ A blue and green city – open spaces to explore in the city and on its fringes, and great vistas across the Sound
- ▶ A cultural city with a growing creative industries sector
- ▶ A learning city with an expanding knowledge economy.

We've developed a Shared Story for Plymouth. It identifies a core set of words and phrases that best describe the city's unique and special qualities and the key messages that we know will appeal to our target markets. The Shared Story will customise the Positively Plymouth brand so that it works for visitors and the visitor economy. Everyone in the visitor economy will use The Shared Story so that we develop a way to describe Plymouth to visitors that they come to recognise and look out for. We will also develop a Shared Story style guide that includes recommendations on the use of colour and textures for visitor information, interpretation and marketing purposes to help reinforce key messages.

5 A BLUE AND GREEN CITY



The Waterfront is at the heart of the city’s vision. It is also the city’s strongest visitor asset and must be the showcase for the very best of Plymouth and all it stands for. It is our main attraction but we must ensure that we also deliver an all-round urban experience which will depend on an excellent city centre. Plymouth is a compact city and you can reach its green spaces easily to explore further. We need to make more of that as part of the city’s positioning as a blue and green city.

Visitor research shows people want a city to offer a wide choice of great experiences including cultural heritage, the arts, museums and events and activities during the day and in the evening. They want places to wander through and explore, places to shop, eat out, somewhere to see the views and just to watch the world go by. They may not take advantage of all these opportunities but they need to know the city offers them.

That means we need to ensure all of Plymouth delivers an excellent and accessible experience.

THE WATERFRONT

Plymouth’s Waterfront needs to offer more things to do and see to attract new and more visitors, more

often. This means:

- ▶ More specialist quality retail – including small arts and crafts shops that provide more opportunities to showcase local talent.
- ▶ More places to eat, drink, socialise, relax and watch the world go by.
- ▶ Better coordinated and promoted opportunities to get out on the water and take trips to different parts of Plymouth – using the water to connect the visitor offer around the Sound and make it part of the contemporary experience and the Waterfront buzz.
- ▶ More animation – events, street entertainers, banners, special lighting, activities - that makes the Waterfront an entertaining place.

- ▶ Projects that extend the Waterfront footprint and encourage visitors to explore further.
- ▶ Making more of sailing festivals and events as a way to animate the Waterfront, to raise the profile of Plymouth as a marine city and deliver excellent infrastructure for participants.

We will support and encourage a small number of Star Projects on the Waterfront including events. We talk more about events at Section 7.

ROYAL WILLIAM YARD

Royal William Yard is a major part of Plymouth's history. The vision is for a special place that showcases our heritage and contemporary culture together, bringing historic buildings into productive use to support the creative sector. This is an appealing and distinctive proposition for visitors. The conversion of the Victualling Yard into a space for creative businesses is a springboard to support the development of Royal William Yard including more specialist retail, cafes and restaurants that create a great space to be in with some outstanding views. We will develop the area as a great space for events too. Visitors will travel across the Sound by boat. It will become one of Plymouth's must-do experiences. The visitor economy will help provide a reason for inward investment in cultural activity and help the sustainability of the businesses generated there.

COMMERCIAL WHARF

To open up the 18 boatsheds at Commercial Wharf to create a new boho quarter for artists, independent specialist retail and cafe/bars. The Wharf will be specially marketed and developed, potentially offering preferential rentals and lease arrangements to encourage the right mix of tenants and create a great space to be and add to the cultural buzz of the Waterfront. We will identify new boat storage locations to replace those lost at Commercial Wharf. It will serve as an exemplar to encourage the packaging, promoting and managing of other Waterfront sites.

THE CITY CENTRE

It is important that the city centre delivers the environment, the facilities and the customer service visitors expect and that it tells the visitor that Plymouth is a place of quality and confidence. The city centre is where you arrive in the city; it is where the majority of the shops and hotels are located and continuing improvements to the public realm will contribute to their success and create good first impressions.

Abercrombie's vision for the rebuilding of city in the 20th century has given it a distinctive layout and character and is part of the story Plymouth has to tell. Effective linkages by foot to and from other areas of the city are important to encourage visitors to experience the full character of the city within which the centre sits.

For the visitor it is important that the centre develops a more diverse offer including more leisure, cultural and evening uses. The streetscape provides excellent opportunities for events and year round animation. The university, the art college and the theatre sit in the centre of the city and are all important to its cultural life.

OUR GREEN CITY FRINGES

Part of the quality of life that Plymouth offers is easy access to quality green spaces including Mount Edgcumbe Country Park, Palmerstone Forts, Plym Valley and Saltram, where there are plans to create one of six state-of-the-art mountain biking centres in the south west of England. They are not main attractors for Plymouth outside of resident day trips but are a significant part of the city's positioning as a place to live and have appeal to younger visitor markets including our target University VFR and Boden Set day visitors. Around Plymouth is an outstanding group of National Trust properties that can appeal to our Cultural Couples market.

6 TELLING STORIES

Plymouth has a rich heritage full of interesting, famous historic and contemporary characters. It has strong naval, marine and cultural credentials. Plymouth is a place of embarkation and arrival. Heritage will be a primary reason for our East Coast US and other overseas visitors to visit us.

Plymouth has always embraced radical ideas, liberty and innovation. That is reflected in the achievements of its famous people, its religious connections, its artistic associations, its engineering and its architecture. These intangible heritage assets are part of its past, part of the city's DNA today and therefore also part of its future. They offer rich material for telling stories.

Plymouth will invest in its heritage experience in a contemporary way. In particular it will communicate its intangible heritage and cultural assets as a way to get visitors to connect with the city in different ways and at different levels. We will use a joined-up and groundbreaking approach to tell its stories across the city - public art, creative interpretation and directional pedestrian signing will be developed together to create a high quality accessible public realm. It will be an attraction in its own right designed to excite, amuse and invite debate.

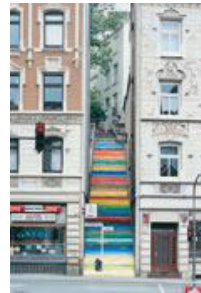
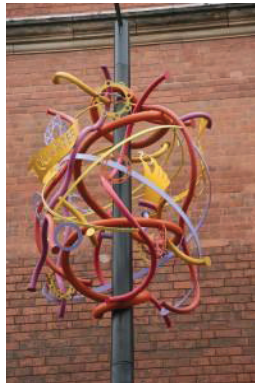
The design of the public realm will say something about the city, its values, its creative qualities and identity as well as telling some of the city stories and providing functional directions between places. We will make sure that our signing and interpretation is designed to create an accessible city for everyone. We will use the latest technology too, so visitors can experience different aspects of the city in different, engaging and interactive ways. We will develop a single framework for this activity that enables joined up design and delivery while creating sufficient flexibility to respond to creative ideas and innovation. Plymouth will be an exemplar for this approach and one of the reasons people talk about Plymouth.

Some of the priorities are:

- ▶ Arrival points to the city and gateways to the quarters within it – opportunities to improve welcome and define places
- ▶ Attractive pedestrian trails from the city centre to the Waterfront to provide directional signing and tell a story at the same time

- ▶ Walking and cycling trails along the Waterfront to encourage visitors to explore and discover more of Plymouth and travel out to our rural hinterland – using opportunities to connect with National Trust trails to Saltram and to Plym Valley and link up with walking and cycling trails across the city
- ▶ Street art, lighting, temporary installations, sculpture and public art that capture a moment in history or animate a space
- ▶ Using the latest digital technology to create different layers of interpretation using various content sources so that visitors can personalise their experience.

We will invest in our museums and visitor attractions so that they offer a quality experience that has appeal to our visitors and is commensurate with our aspirations to make Plymouth a great marine and Waterfront city. Our museums and visitor attractions will demonstrate our commitment to investing in our heritage and communicating our stories to modern audiences. We will look at opportunities for Heritage Lottery funding to help support these aims and specifically to improve the visitor experience at Elizabethan House and The Merchant’s House. We will strengthen our links with neighbouring historic properties that tell some of our heritage stories and will strengthen digital and physical links so that visitors are encouraged to visit our museums and visitor attractions as part of a digital trail. We will ensure our high profile attractions – National Marine Aquarium, Plymouth Gin Distillery and the Theatre Royal and Drum Theatre – are profiled strongly. We will explore the viability of creating a replica Mayflower ship as a new high quality visitor attraction for the city that will appeal to our target markets.



From L to R

Jewellery Quarter Birmingham – Pavement Trail

Jewellery Quarter Birmingham - Gateway Sculpture

Holsteiner stairs in Wuppertal

Horst Glaesker’s pavement painting in the Campo Santo, Paderborn, Germany

7 EVENTFUL PLYMOUTH

We will use the natural arena of the Waterfront, the open spaces on The Hoe and make creative use of the venues across the city to realise the potential of events to raise the profile of Plymouth, underline key messages and deliver more visitors and spend.

We will focus on **Signature Events** that recur regularly to enhance identity of place and provide a high quality, distinctive experience for visitors and local people. We will build on Signature Events already taking place in Plymouth and seek new ways to grow their economic value for the city. This will be through paid-for elements, by packaging events and accommodation and by audience voting. We will also invest in the development of new Signature Events.

We will support a small number of **Major Events**, one-off opportunities with international appeal that generate significant media coverage and have the potential to attract significant volumes of visitors as well. We will make much more of our **Waterfront events** including by wrapping up all of Plymouth's sailing events under one banner.

Flavour Fest and Barbican Jazz and Blues Festival will be our **Growth Events** enhancing our visitor experience. We will continue to value the role of all events – regional and local – as ways to create a lively Plymouth. In particular we will host more pop concerts as part of our positioning as a youthful and vibrant city and regional centre for Devon & Cornwall.

OUR PRIORITY EVENTS – STAR PROJECTS

1. **New Signature Event** for Plymouth – a **marine and cultural** festival to grow organically over the life of this Plan building up to a major celebration in 2020 that links up with inward investment activity and with a view to creating legacy
2. **'Sail Fest'** – packaging and promoting existing sailing and water-based events together under a banner and developing a quality programme of on-shore activities during the events
3. **British Firework Championships** – look after, refresh and develop income generation opportunities.

OUR EVENT SPACES – WATERFRONT AND CITY CENTRE

- ▶ The Hoe
- ▶ The Waterfront & Barbican
- ▶ Armada Way
- ▶ Home Park
- ▶ Royal William Yard
- ▶ University and Levinsky Building

- ▶ Theatre Royal
- ▶ Barbican Theatre
- ▶ Plymouth Arts Centre
- ▶ City Museum and Art Gallery
- ▶ Guild Hall
- ▶ The Pavilions

8 PLACES TO STAY

Plymouth has a relatively narrow range of hotel and B&Bs to choose from, many would benefit from investment and are trading down. There are few places to stay on the Waterfront. Better quality and more distinctive accessible places to stay are essential to attract our higher spend target overnight visitors and to provide the choice and quality our business visitors will expect.

We must work at targeting inward investment in new hotels and B&Bs that improve the range and choice of places to stay and which meet the needs and aspirations of our new higher spend leisure and business target markets. This is essential to delivering our vision and our growth objectives. We will welcome independent boutique, town house hotels and distinctive quality B&Bs, in particular on the Waterfront. A priority is to raise the quality of facilities and experience in all our hotels and B&Bs.

Businesses will only make that investment in response to increased demand, so we need to create the business environment for that by driving more overnight visitors to Plymouth throughout the year. Events offer a particular opportunity to do that in the early stages of the plan delivery. We need to support that by delivering on our other star projects to sustain momentum.

9 BUSINESS TOURISM

We will use our visitor assets - our Waterfront and our culture – to position Plymouth as a great place to live, invest and do business. We will encourage investment in creative and cultural small businesses that will help to create a vibrant and lively city that visitors want to come and see. Visitors generate more custom for those businesses, encouraging further investment. It is a virtuous circle.

The conference market is evolving away from large, long events to shorter, smaller conferences. These trends are driven by new technology that allows people to network in different ways and by time and financial pressures. Plymouth does not benefit from an easy to reach central location with a large business and population catchment, so we need to focus on those opportunities that offer the best prospects. That means going for value rather than volume.

Our focus is on generating the higher value conference opportunities including through the University where conferences help to build Plymouth's reputation as a marine city and reinforce its cultural credentials. This is where the main opportunity lies for the city.

We will ensure we offer good facilities for business meetings and deliver an excellent service to our business visitors. Destination Plymouth will manage a web portal and provide an effective and professional conference enquiry service integrated with the visitor information service. Conference Plymouth will coordinate familiarisation visits and promote Plymouth as a location through appropriate trade exhibitions. Members of Conference Plymouth will contribute a 'bed tax' to generate a larger conference subvention fund. These actions are designed to position Plymouth as *the* place to meet and do business in Devon & Cornwall.

10 MARKETING FOCUS

We need to transform the way we market Plymouth as a visitor destination to give it profile, create awareness and understanding and stimulate interest in visiting among our target markets.

Our primary channels will be PR and digital marketing so that we reach our target markets more cost-effectively, precisely and compete effectively alongside other destinations. Our Marketing Plan is built around our target markets. Of course other people will come; it is just a question of targeting finite marketing resources where they have the greatest impact.

Our marketing approach in a nutshell is:

- ▶ To target our priority markets as tightly as possible with motivating messages and through the right media channels
- ▶ To use our Shared Story™ consistently to reinforce the Plymouth brand and talk about Plymouth in the right way
- ▶ To use print and technology creatively and appropriately to support an integrated approach to marketing across promotion, information and interpretation
- ▶ To use PR to help raise the profile of Plymouth – regionally, nationally and internationally
- ▶ To exploit digital marketing to target and communicate cost-effectively with potential and actual visitors
- ▶ To develop a first-class 'Visit Plymouth website' which inspires, informs and engages
- ▶ To use digital platforms to facilitate conversion and booking and build a relationship with all our diverse visitors through using customer relationship management (CRM)
- ▶ To develop joint-promotion and collaboration with tourism and non-tourism brands which share the same target markets to extend reach.

11 WELCOMING PLYMOUTH

GATEWAYS AND FIRST IMPRESSIONS

Many of our day visitors, in particular those on holidays in Devon & Cornwall, will continue to arrive by car and we will make it easy for them by providing clear directional signing. We will encourage our short-break markets to travel by train, so we need to invest in the station and its environs to improve first impressions. The bus station also needs to be made more welcoming, particularly for groups travelling by coach. We will invest in the welcome and quayside infrastructure for our visitors arriving by ferry, cruise ship or personal craft. Plymouth Sound and the surrounding coast is a superb place for sailing and we will ensure there are plenty of short-stay moorings available.

Roads

- ▶ Directional road signs should encourage visitors to take easy and attractive routes into the city centre
- ▶ Signs should identify where it is best to park for different areas and activities – Waterfront, city centre, shopping etc – and use clear symbols or codes to assist with that
- ▶ Visitor car parks will include orientation boards
- ▶ Visitors should be encouraged to explore on foot. Our Telling Stories approach will encourage that. We will also encourage pedestrian and cycle networks to be given priority over cars.

Rail and Coach

- ▶ We will encourage the quality and design of pedestrian signing on Armada Way to be extended to the station.
- ▶ We will work with local landowners and the rail company to improve the presentation of the station environs
- ▶ We will work with the rail company to encourage ongoing investment in the presentation and welcome at the station
- ▶ We will improve the presentation of the bus station and its facilities including orientation and signing for the benefit of local, regional and coach visitors.

Cruise Ships

- ▶ We will continue to provide a warm and personalised welcome to cruise ship passengers including providing a mobile TIC service at the point passengers arrive
- ▶ We will offer organised tours and maximise spend opportunities for cruise visitors.

Ferry port and personal craft

- ▶ We will ensure signage and orientation at the ferry terminal encourages visitors to spend time in the city
- ▶ We will optimise the mooring capacity of the city and consider provision of public moorings
- ▶ We will ensure launching places and facilities are available for sailing regattas.

VISITOR INFORMATION

Visitors need information at the decision making and trip planning stages and also once they have arrived. Information needs variously to inspire, provide practical information and help visitors develop a more detailed and deeper understanding of the place. We will deliver an integrated approach to marketing communications, information and interpretation that is fit-for-purpose and delivers a 21st century solution to information provision. It will include:

- ▶ Providing printed information and digitally accessed information (via personal devices) at visitor venues across the city and in the environs using bespoke branded display racks – this will deliver immediate information where visitors are gathered in an accessible way
- ▶ Providing Plymouth knowledge staff training at these venues
- ▶ Exploring the opportunity to develop a staffed mobile TIC - to greet cruise ships and attend major events that will deliver enhanced customer service when and where it is needed
- ▶ Using digital platforms to deliver information, collate data about our visitors and develop sophisticated customer relationship management (CRM).

SKILLS AND TRAINING

Central to our Visitor Plan is creating great experiences and creating new jobs in the visitor economy. That means we must deliver quality assurance in every aspect of the visitor experience and businesses must take up the challenge of delivering that. We need to ensure we have a workforce able and keen to take up new job opportunities and that jobs are available to all.

The tourism sector offers entry level job opportunities with an increasing demand for higher skills, for example in IT. It also offers management and specialist skills opportunities in the retail, creative, cultural and heritage sectors and creates new market opportunities for small and medium sized businesses (SMEs).

We need to support local businesses in the visitor economy to ensure they are competitive. Today’s visitors have demanding expectations of customer service. The quality and individuality of our customer service should be a part of the city’s distinctiveness.

It is essential that skills development initiatives are industry-led, available locally and provide businesses the opportunity to access learning in different ways when and where they need it.

Skills Planning	Business Support
<ul style="list-style-type: none"> ▶ We will ensure that the needs and issues of the visitor economy and the tourism sector are addressed in line with the action plans for the Employment & Skills Board priorities ▶ We will develop a specific action plan for the visitor economy that identifies skill needs and the strategic response needed from training providers ▶ We will identify a visitor economy champion for skills 	<ul style="list-style-type: none"> ▶ We will provide customised support to tourism SMEs – in particular how to make best use of market intelligence and IT to increase competitiveness and build customer loyalty ▶ We will support and encourage employers to offer high-quality apprenticeship places at all levels in leadership and management development, customer service, marketing, sales, product development and IT/administration.

12 DELIVERING THE PLAN

Destination Plymouth, Plymouth Waterfront Partnership (subsequently the Waterfront BID) and Plymouth City Centre Company are the main strategic partners that together with Plymouth City Council will lead on delivery.

These partners will combine their staff expertise and financial resources to deliver the Visitor Plan. The Head of Place Management will lead on delivery under the general direction of the Chairs of Destination Plymouth, the City Centre Company and the Plymouth Waterfront Partnership/Waterfront BID.

Real progress will depend on commitment from all the key stakeholders across the city. Their participation and financial contributions will be crucial in making things happen. Destination Plymouth will encourage these stakeholders to take an active role in delivery. They are cultural and education bodies, attractions and visitor-related businesses.

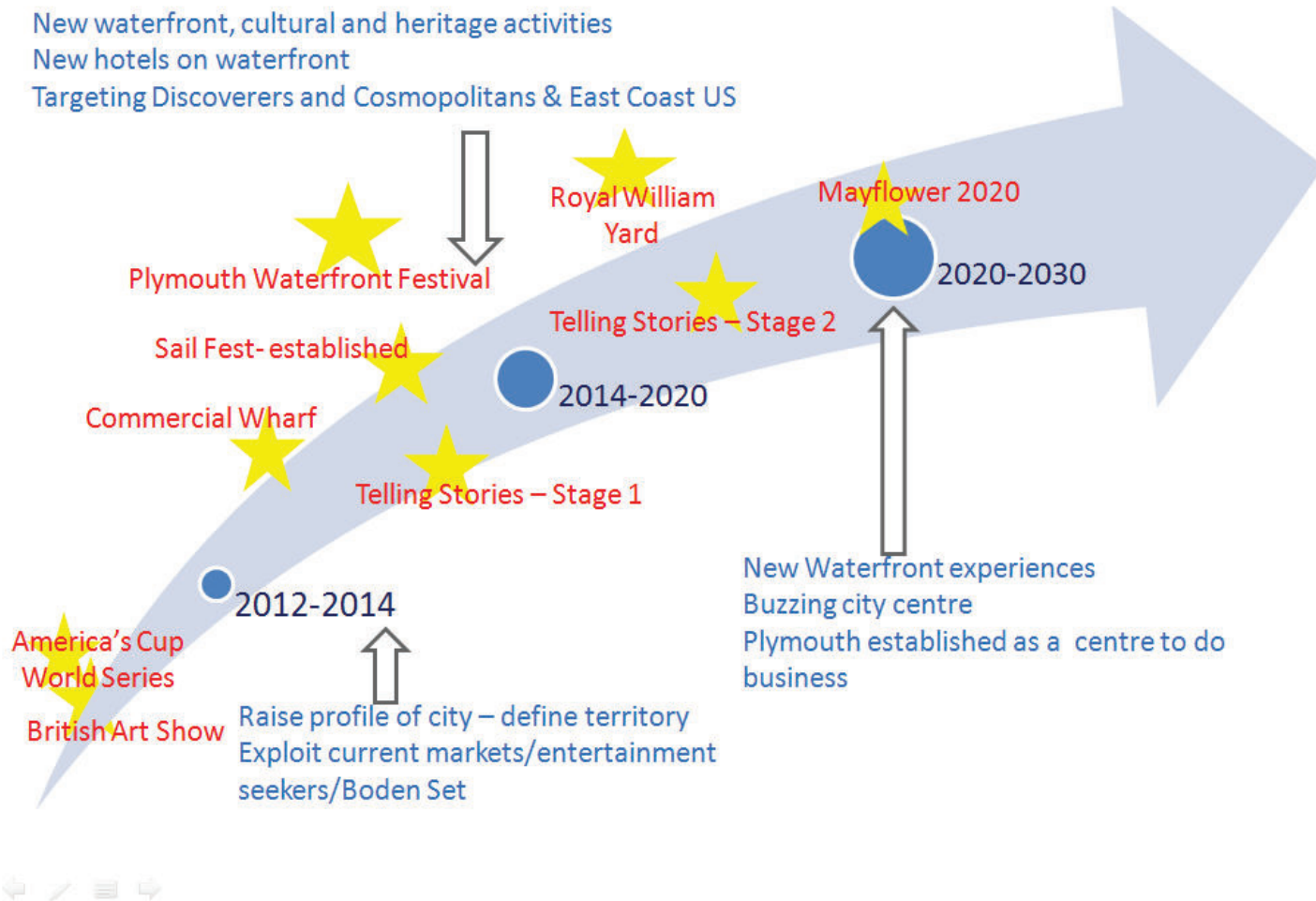
We have developed a five year Business Plan to begin rolling out the Visitor Plan. Here are the headline actions.

Programme of activity	Key actions
Star Project – Signature Events	<ul style="list-style-type: none"> ▶ Establish key stakeholder working group to develop new Plymouth Waterfront Festival and secure programme development funding. Stakeholders to include Marine Science Partnership, University of Plymouth, Plymouth College of Art. ▶ 2011 – Appoint Festival Director to lead on development activity, build partnerships and raise funding and sponsorship ▶ 2013 – launch Plymouth Waterfront Festival ▶ Package existing sailing events to create and promote SailFest ▶ Identify and roll out new commercial activity for the British Fireworks Championships.
Star Project – Telling Stories	<ul style="list-style-type: none"> ▶ Identify European partner cities and develop initial INTERREG bid to develop Telling Stories interpretation –

	<p>Destination Plymouth working closely with University of Plymouth and Plymouth College of Art</p> <ul style="list-style-type: none"> ▶ Work up and deliver initial priority trails in the city – focus on gateways, Waterfront, city centre and links between them ▶ Work up HLF bid for The Elizabethan House to re-focus on the Pilgrim Fathers story for the 2020 anniversary.
Star Project – Development Sites	<ul style="list-style-type: none"> ▶ Map available sites on the Waterfront to create packages for development and take to market ▶ As part of this approach encourage and prioritise growth in new boutique and town house hotels and quality B&Bs that meet the needs of target markets ▶ Work with Urban Splash to raise the profile and develop potential to make Royal William Yard a mini-destination ▶ Include Commercial Wharf as part of development packages and designate as opportunity for specialist retail and cafes. Provide incentives to encourage local creative industries SMEs.
Visitor Information	<ul style="list-style-type: none"> ▶ Identify new tourist information points (TIPs) in Plymouth (including Mayflower Centre) and at gateways and work up partnership arrangements ▶ Provide information materials and staff training for TIPs ▶ Explore opportunities for and potentially commission mobile TIC.
Boat Services	<ul style="list-style-type: none"> ▶ Develop coordinated services and clear digital information on the Waterfront and online
Conference Plymouth	<ul style="list-style-type: none"> ▶ Manage a web portal and an enquiry response service for Conference Plymouth ▶ Members of Conference Plymouth to subscribe to a subvention fund.
Skills Development	<ul style="list-style-type: none"> ▶ Appoint Visitor economy champion ▶ Develop Employment & Skills Action Plan ▶ Develop and agree a Skills & Employment Accord to deliver local jobs for local people.

<p>Monitoring and evaluation</p>	<ul style="list-style-type: none"> ▶ Commission annual Cambridge Model Visitor Survey ▶ Develop and undertake surveys to measure visitor, business and community perceptions and benefits ▶ Work with economic development to ensure visitor economy covered in wider monitoring and evaluation work.
<p>Destination Marketing</p>	<ul style="list-style-type: none"> ▶ Appoint dedicated Visitor Marketing Manager to lead on destination marketing delivery ▶ Set up a fully interactive, first-class destination website and digital marketing platform ▶ Set up a Customer Relationship Management system ▶ Build destination PR to start building Plymouth’s profile and reputation ▶ Develop e-marketing for target markets.

Below we show our timeline for delivery and our star projects.



Disclaimer: All information and analysis supplied by Blue Sail Consulting Ltd and our sub-contractors is done in good faith and represents our professional judgement based on the information obtained from the client and elsewhere. The achievement of recommendations, forecasts and valuations depend on factors beyond our control. Any projections, financial or otherwise, in this report are only intended to illustrate particular points of argument and do not constitute forecasts of actual performance

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CITY OF PLYMOUTH

Subject:	A Business Improvement District for the Plymouth Waterfront
Committee:	Cabinet
Date:	15 November 2011
Cabinet Member:	Councillor Fry
CMT Member:	Director for Development and Regeneration
Author:	David Draffan, Assistant Director for Economic Development
Contact:	Tel: 01752 304472 e-mail: patrick.knight@plymouth.gov.uk
Ref:	
Key Decision:	Yes
Part:	I

Executive Summary:

This report sets out the City Council's support for the emerging private sector Business Improvement District (BID) proposal for Plymouth's Waterfront, currently being developed by the Plymouth Waterfront Partnership. It defines the Council's financial support for the BID as well as a commitment to establish baseline agreements for the City Council's existing services within BID area. Any business contributions through the BID that come from the private sector are effectively additional investment over and above the support made by the City Council which totals c.£2m/annum.

The Board of PWP have recently taken the decision to proceed to a BID ballot following extensive consultation with over 600 businesses, and independent market research which has identified that 59% of Waterfront businesses supported the principle of establishing a BID.

This report recommends that the City Council signals its strong support for the BIDs establishment by the private sector. The establishment of a Business Improvement District for the Plymouth Waterfront would support the City's Visitor Plan, prepared by Destination Plymouth.

The Local Economic Strategy 2006-2021 and Beyond (LES) identifies the visitor economy (Tourism and Culture) as a priority growth sector which has the potential to generate 7,000 additional jobs over the next ten years. Tourism is a significant industry in Devon and Cornwall and has been recognised in the heart of the South West (HotSW) LEP prospectus. The Visitor Plan is a key component of the implementation of the LES; setting out a framework for realising the potential of Plymouth's visitor economy to 2026.

A Business Improvement District (BID) is a private sector led management organisation for a precisely defined geographical area, where business rate payers have identified projects and services that will have a positive impact on their trading environment. Businesses within the area vote to invest collectively in delivering these improvements which are wholly additional to those already delivered by local, statutory bodies.

The Plymouth Waterfront Partnership (PWP) will be responsible for delivering the Waterfront BID. PWP is an independent, not for profit company limited by guarantee, which currently operates as a voluntary membership partnership with a Board of Directors representing all the key business sectors in the BID area, run by and for local businesses.

PWP, supported by the City Council, continues to conduct extensive consultations with the business community in the Barbican and Waterfront following investment in the Waterfront Manager post. The BID is about investment in the area and sustainable partnerships. The BID legislation does not require that the Local Authority endorse the BID proposals, however it is essential that Plymouth City Council confirms its support, financial and in kind.

Once a BID has been established all businesses contribute a BID Levy based on the rateable value of their premises (hereditaments) to ensure fairness and equity. BIDs have a maximum duration of five years.

PWP will provide leadership and management and be directly accountable to Waterfront businesses for the delivery of the BID Business Plan, working in partnership with Plymouth City Council, Destination Plymouth, the Police Authority, Plymouth University and other public agencies to benefit businesses located within the Waterfront area.

PWP have yet to decide on the precise BID boundary area, however it will cover the primary attraction areas of The Barbican, Sutton Harbour, The Hoe and foreshore. It may also encompass Millbay and Royal William Yard to ensure a wide view is taken on the visitor experience. The Waterfront BID area will buffer against the boundary of the City Centre Company's existing BID area, ensuring enhanced links between the two areas and a seamlessly positive visitor experience.

There are already 110 BIDs in the UK, including Falmouth, Newquay, Tavistock, Taunton, Torbay, Bristol and Plymouth. A mark of their success is that 99% of BIDs are renewed by business ballot after their first term.

The full draft version of the Waterfront BID Business Plan will be available from 6 October 2011 at: www.waterfrontbid.co.uk.

Corporate Plan 2011-2014:

Through the Waterfront Partnership and the consolidation of resources the City will attract more visitors and visitor spend, increasing the number of jobs within the visitor economy, encouraging enterprise, improving skills and making Plymouth a thriving regional centre.

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

The City Council will continue to provide existing statutory services and in kind support, such as premises, ICT, legal and administration at current levels. In addition, provision of BID levy billing, collection and enforcement costs (through the Courts to a maximum value of £9,000 per annum), payroll, accountancy and invoice payment support.

Through the Waterfront BID the City Council will be held accountable to the business community and required to maintain their existing levels of service within the Waterfront. BID projects will be entirely additional to existing City Council services.

National BID legislation enables the PWP to establish a contractual agreement with the City Council over its provision of existing services in the Waterfront area to guarantee that they continue throughout the five year BID lifetime.

The proposed Waterfront BID projects and services will be entirely additional to any services already delivered by Plymouth City Council. PWP will establish a contractual agreement with Plymouth City Council to regularly review Council services delivered within the Waterfront BID area. Once the Waterfront BID has been established, the Council will be contractually obliged to maintain agreed standards to conform to baseline service level agreements for all services provided (and listed in the body of this report)

The Waterfront BID Levy will be payable by all businesses located within the boundary of the defined Waterfront BID area. Plymouth City Council will be required to contribute approximately £15,000 per annum in BID Levy payments as it owns properties located within the proposed BID boundary.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

None. Destination Plymouth and Plymouth Waterfront Partnership, will continue to ensure that its activities support these objectives

Recommendations and Reasons for recommended action:

It is recommended that the Cabinet:

1. Endorse the principles and overall approach of the draft Waterfront BID Business Plan 2012-2017.
Reason: To confirm the partnership approach to the Business Improvement District and establishing a framework for service improvement mechanisms within the Business Improvement District area.
2. Approve the City Council's existing and new financial, match and in kind contributions (totalling £3,157,000) and continued commitment to support the Waterfront BID at existing levels through the proposed BID Contract for the provision of services within the Waterfront Business Improvement District area.
Reason: To enable the Plymouth Waterfront Partnership to implement the Business Plan 2012 - 2017.
3. Authorise the Chief Executive to instruct a Ballot Holder to undertake a ballot of appropriate businesses with the Waterfront Business Improvement District area.
Reason: To enable a ballot in the Business Improvement District area to be conducted in accordance with Section 35 of the Representation of the People Act 1983.
4. Delegate to the Chief Executive authority to vote on behalf of the City Council in the Waterfront Business Improvement District ballot.
Reason: To discharge the City Council's responsibilities in relation to the ballot as an occupier within the Waterfront Business Improvement District area in a timely manner consistent with the Business Improvement District ballot programme and in order to achieve the City Council's wider economic and regeneration objectives for the city centre.
5. Delegate to the Chief Executive authority to approve the Waterfront Business Improvement District Contract provided that it accords with the general principles set out in this report.
Reason: To allow the Business Improvement District Contract to be formally signed after the Business Improvement District ballot and in advance of the formal commencement of the new Business Improvement District for the period 2012-2017.

6. PWP will be made responsible for managing Street Trading activity within the Waterfront BID area, with any surpluses generated from street trading, café licenses, events, fairs, festivals being transferred from PCC to PWP following the end of each financial year.
Reason: To enable the PWP (working closely with PCC, promoters, event managers and others) to generate revenues that can then be reinvested for the BID's delivery.
7. The City Council may assist PWP with cash flow over the initial 6 months of its new BID.
Reason: This will ensure that PWP can establish a trading operation and deliver BID projects.
8. Request the Overview and Scrutiny Commission to insert into their scrutiny work programme a review of the Business Improvement District proposals with a view to making a recommendation to the City Council regarding exercising its power of veto.
Reason: To meet the requirements of Regulation 12 of the Business Improvement District (England) Regulations 2004 in relation to the use of the power of veto and to provide independent scrutiny of the Business Improvement District proposals.

Alternative options considered and reasons for recommended action:

Option 1: Progress waterfront management through a different vehicle using a voluntary contributions approach

This has been rejected by PWP because the anticipated income and levels of commitment would be significantly reduced as a result of differential contributions from different businesses.

Option 2: Amend some of the assumptions in the Business Improvement District Business Plan

This was rejected as the level of service provision within the waterfront has to be enhanced above pre-Business Improvement District levels for the duration of the BID Business Plan in order to meet the requirements of the regulations. In addition experience in delivering the City Centre BID Business Plans demonstrates the added value of a realistic but challenging programme of integrated initiatives in leveraging other sources of income above the basic Business Improvement District levy.

Option 3: Abandon the Business Improvement District Model

This was rejected as it might mean that some of the services and management to be undertaken by the Plymouth Waterfront Partnership would have to be managed in-house and it is not considered this would achieve value for money or efficient operations.

Background papers:

Draft Plymouth BID Business Plan (see www.waterfrontbid.co.uk)

Sign off:

Fin	DevF111 20037	Leg	DVS 13246	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											

1.0 Introduction

1.1 The Waterfront Vision

Through this report the City Council is responding to the Plymouth Waterfront Partnership's draft Waterfront Business Improvement District Business Plan (2012-17). Approval of the report's recommendations will signal the Council's strong support for the proposed BID and also provide match funding towards the cost of the BID's delivery by the private sector represented by the Plymouth Waterfront Partnership.

Plymouth's Waterfront is the magnificent jewel in the City's crown - by joining forces with key partners the Waterfront BID will be able to maximise this wonderful asset for the benefit of businesses, visitors and the wider city and its economy.

As part of a wider framework, the Waterfront BID will identify and support visitor economy related commercial development opportunities, to enable the Waterfront to become an outstanding visitor destination. This will provide new jobs, better leisure facilities and improved pedestrian, cycling and other transport links with the City Centre, preserve the area's extensive maritime heritage and improve and better maintain public space.

To secure this huge opportunity requires a complete step change in dedicated delivery and management of the area and annual investment from both the private and public sector through the Waterfront BID.

1.2 The Waterfront Objectives

The BID will focus on business priorities of increasing visitor numbers, customer spend and commercial success through:

- Leadership - Providing a strong business voice to lobby and influence for future investment and public realm improvements for the Waterfront.
- Marketing – Regional and national campaigns and more events linked to local businesses, to attract new customers and increase loyalty, whilst radically improving visitor signage and information.
- Operational management – Tough contracts will hold the City Council and all area service providers to account for the standard of existing cleansing, maintenance and other services. BID investment will only be used to pay for additional services prioritised by businesses.
- Finance – Attracting significant match funding in addition to contributions from businesses for expenditure within the Waterfront.

1.3 The Waterfront Targets

The Waterfront BID will help the City to:

- Grow visitor spend by 25% by 2020. This means visitor numbers would increase by 800,000 from 4 million to 4.8 million and visitor spend would rise by £63 million from nearly £252 million to £315 million. Waterfront businesses will be positioned at the heart of this growth.
- Target a 33% growth in jobs in the visitor economy. That means 2,800 new jobs in the city by 2020 and 4,000 new jobs by 2026. Again, with the Waterfront securing much of this uplift.

- Strengthen Plymouth's position as the regional centre for Devon and Cornwall, by creating a great day out and evening destination, resulting in increased visitor numbers.

2.0 How Will the BID Be Managed?

The Waterfront BID will be managed by PWP which will be directly accountable to Waterfront businesses for the co-ordination of the Waterfront area and the successful delivery of the Waterfront BID.

The Waterfront BID's governance will be the responsibility of the PWP Board with operational matters overseen by the Waterfront BID Stakeholder Advisory Board, giving Waterfront businesses and other stakeholders control in formulating strategy and overseeing BID project delivery. In addition, as a member of the PWP, businesses will also have a vote on major decisions.

Business BID Levy contributions will be spent entirely to service the area within the boundary of the Waterfront BID. This will ensure fair representation for businesses investing within their own areas.

The Waterfront BID will encompass the core areas of the Barbican, Sutton Harbour, The Hoe, Notte Street, Vauxhall Street. It may also include Bretonside and Sutton Road.

3.0 The Costs to Businesses

In February 2012 the businesses will have to decide whether to vote Yes or No to fund delivery of the final Waterfront BID Business Plan. If a majority of businesses vote Yes, then all businesses in the BID area will be required to contribute an annual BID Levy payment, based on the rateable value of the premises that the business occupies.

The proposed annual BID Levy is based on 1.5% of a business property's rateable value (RV). For example, if the RV is £30,000 a business will pay £450.00 per annum, that's £8.65 per week.

50% of businesses within the Waterfront area will pay less than £500 per annum. 30% of businesses within the area will pay less than £100 per annum.

4.0 The Development of the BID

The BID Business Plan has been driven at every stage by business owners and managers seeking to improve their trading environment and profitability.

PWP has listened to business concerns, ideas and priorities, evolving this BID Business Plan from a highly structured, detailed, democratic consultation process, involving a number of key stages

The total budget (direct contributions plus match funding) will be invested to drive customer numbers and spend by more effectively marketing the Waterfront, improving the visitor experience and maximising the economic potential of the city's most spectacular asset.

The Plymouth Waterfront Business Improvement District Business Plan and the proposed projects within it are the result of extensive consultation with Waterfront businesses on what they want.

5.0 Value for Money

If a majority of businesses vote yes, all 600 identified businesses within the Tourism, Leisure, Retail and Professional Services sectors in the Plymouth Waterfront area will be required to contribute through a Levy. The Plymouth Waterfront Partnership will then aim to secure match funding which could multiply the five-year investment from £1 million to £6.2 million.

Based upon rateable value, the average Waterfront business will pay an annual levy of £353 (£6.79 per week) in return for significantly higher benefits in terms of visitor spend and other advantages.

Based upon existing rateable values within the Waterfront area:

33% of businesses will pay less than £100 per year

54% of businesses will pay between £100 and £500 per year

7% of businesses will pay between £500 and £1,000 per year

5% of businesses will pay between £1,000 and £5,000 per year

1% of businesses will pay more than £5,000 per year

6.0 Projected Budgets over 5 years

Total Estimated Levy Income from Waterfront Businesses	£1,025,000
Total value of existing City Council Services and Match Funding	£2, 032,000 (anticipated)*
Total Other Match Funding e.g. subscriptions, trading income, grants, etc	£3,148,000 (projected)

Total 5 Year Project Expenditure £6,205,000 (projected)

*Based upon current projected budgets which could be subject to change.

6.1 City Council contributions – financial and in kind

Assuming the Waterfront BID is successfully established, Plymouth City Council will contribute the following match funding over the 5 years of the BID's lifetime:

Plymouth City Council Funding	Value	Existing or New Resources	Cash or In Kind
Seconded Staff	£148,000	Existing	Cash
Environmental Services	£600,000	Existing	In Kind
Office, ICT and Business Admin	£125,000	Existing	In Kind
BID Levy Collection	£50,000	New	In Kind
Maritime Services	£496,000	Existing	In Kind
Car Park Improvements	£436,000	Existing	In Kind
Grounds Maintenance	£177,000	Existing	In Kind

Total of in kind and match funding c.£2,032,000.

In addition, the City Council is asked to contribute projected match funding as follows:

Plymouth City Council Match Funding	Value	Existing or New Resources	Cash or In Kind
Hoe Park Events	£425,000	Existing	In Kind
Street Trading Surplus	£350,000	New	Cash
Local Transport Sustainability Fund (Signage)	£350,000	Existing	In Kind

Total in kind and match funding is c.£1,125,000.

In addition, PWP will be made responsible for managing Street Trading activity within the Waterfront BID area, with any surpluses generated from street trading, café licenses, events, fairs, festivals being transferred from PCC to PWP following the end of each financial year.

The City Council may assist PWP with cash flow over the initial 6 months of its new BID in order for it to establish a trading operation and delivery of BID projects.

6.0 Why have a Waterfront BID?

The implementation of the BID will result in delivery of significant improvements, providing a private sector-led approach to managing the Waterfront area and attracting more visitors and customer spend.

7.0 How will the Waterfront BID maximise its impact?

The BID Levy will be paid by every business and ring fenced for projects identified in the final BID Business Plan.

The BID Levy is match funded by Plymouth City Council and other partners to generate further funds from additional sources. This Waterfront BID aims to lever £2 of additional match funding for every £1 of BID levy received from businesses within the Waterfront BID area, to maximise the delivery of project and service improvements.

8.0 Waterfront Service Baselines

The proposed Waterfront BID projects and services will be entirely additional to any services already delivered by Plymouth City Council. PWP will establish a contractual agreement with Plymouth City Council to regularly review Council services delivered within the Waterfront BID area. Once the Waterfront BID has been established, the Council will be contractually obliged to maintain agreed standards to confirm to baseline service level agreements for the following services:

- **Safety**
- Closed Circuit Television (CCTV)
- Community safety and management
- Licensing and enforcement
- Street lighting

- **Cleanliness**
 - Graffiti and fly posting removal
 - Gully cleansing
 - Power washing, e.g. planters/litter bins
 - Public conveniences
 - Street cleansing (inc. bin emptying/washing)
 - Waste collection (Trade and Domestic)
- **Promotion**
 - Attractions (inc Smeaton's Tower, Elizabethan House and Merchant's House)
 - Events and Tourist Information Centre marketing
 - Mount Wise and Tinside Lido
- **Statutory**
 - Environmental health
 - Planning
 - Plymouth Trading Standards Service
 - Environmental health
- **Other Services**
 - Administrative support
 - Car parking
 - ICT provision and office space
 - Major events
 - Maritime services
- **Maintenance**
 - Grounds maintenance (inc. weed spraying)
 - Highways maintenance and management
 - Traffic signals and pedestrian crossings
 - Trees and landscape development
 - Waterfront slipways

9.0 Waterfront BID Ballot

All non-domestic rate paying businesses within the proposed BID area will be eligible to vote on the final Waterfront BID Business Plan. A four week postal ballot will be held between February 1 and March 2, 2012.

Each person entitled to vote in the Waterfront BID ballot shall have one vote in respect of each hereditament in the geographical area of the Waterfront BID on which non-domestic rates are payable.

The ballot will have to meet two tests. First, a simple majority (above 50%) of those voting must vote in favour. Second, those voting in favour must represent a majority of the aggregate rateable value of hereditaments voting.

The ballot papers will be forwarded to those ratepayers who are eligible to vote on 1st February 2012 and must be returned by 5pm on 2nd March 2012.

10.0 The Waterfront BID Levy, Liability and Collection

The Waterfront BID Levy will be payable by all businesses located within the boundary of the defined Waterfront BID area.

The Waterfront BID Levy will be set on the 1st April 2012, based on the rateable value shown in the 2010 Local Non-Domestic Rating list, updated for any changes in ratepayer appeals, additions and removals from the list to date. For new assessment, splits and mergers (of rateable values) brought into the list between 1st April 2012 and 31st March 2013, the rateable value used will be that as shown in the Non-Domestic Rating 2010 at the date the new or amended assessment is brought into that list. The Waterfront BID Levy will not be adjusted to reflect any changes to the rateable value during 5 years of the Waterfront BID. In addition any "Taken out of Rating" cases will be deleted from the effective date as advised by the Valuation Office Agency to the City Council's Non-Domestic Rates section. The Waterfront BID levy will be increased each year by the annual inflationary factor for Local Non-Domestic Rate bills as calculated by H.M. Government.

The following types of businesses within the Waterfront BID area will be exempt from paying the BID Levy:

Commercial car parking spaces that are rated separately; concessions; on-street traders, kiosks and promotions; telephone masts, and advertising poster drums. The Waterfront BID Levy will not be reduced where the ratepayer is a charity or non-profit making organisation. The BID levy will also not be affected by the Government's Small Business Rate Relief Scheme which came into effect on 1st April 2005. The Waterfront BID Levy is payable on the whole rating assessment irrespective if part or all of it is empty. In the case of empty properties, the Waterfront BID levy will be collected at 100% from either the owner or leaseholder (if an occupational lease exists).

The BID levy will be collected by Plymouth City Council annually on 1st April. The Council will reimburse the PWP with BID Levies on a monthly basis. The average BID Levy collection rate will be 1.5%.

11.0 Governance and management

The current PWP Board of Directors will represent all business sectors currently operating in Plymouth. This will occur by co-option until the first Annual General Meeting. BID Members will be eligible to vote at Annual General Meetings. The full board will meet at least quarterly.

The Waterfront BID Sounding Board management committee will meet regularly and will be responsible for the delivery of BID projects, with operational sub-groups covering specific themes and projects.

12.0 Alteration of BID Arrangements

The Waterfront BID area and the BID Levy percentage (other than inflationary increases announced by Government for NNDR) cannot be altered within the five year lifetime without an Alteration Ballot.

The Waterfront BID projects, headings, costs and timescales can be altered by the Board, within the constraints of BID income - providing that the Waterfront BID's aims are adhered to.

The Waterfront BID Sounding Board management committee and any sub-groups will manage budgets within their areas of speciality.

13.0 Commencement and Duration of the BID

The Waterfront BID's first term will start on 1st April 2012 and will operate for five years.

A postal ballot of business ratepayers in the Waterfront BID area, based on the list of non-domestic ratepayers, will take place between 1st February and 2nd March 2012. The result of the ballot will be publically announced by 8th March 2012.

If the Waterfront BID proposal is approved, it will operate for five years from 1st April 2012 until 31st March 2017. At or before the end of this period, the Board may choose to seek renewal of the Waterfront BID's mandate.

14.0 Projects Identified by Waterfront Businesses

Since October 2010, the Plymouth Waterfront Partnership (PWP) has surveyed more than 800 Waterfront businesses, held 121 consultation meetings and organised a major Waterfront Business conference. The Waterfront Business Plan and projects within this summary document are the result of the priorities identified by businesses.

Permanent and Dedicated Management

Establish a Waterfront management structure accountable to businesses to prioritise and deliver benefits for all users. Taking control of the trading environment by co-ordinating and championing business and partner efforts to regenerate the area, whilst working in partnership with and holding the City Council to account for delivery of existing services.

Improve Marketing

Deliver a five year marketing plan to position Plymouth's Waterfront as a major UK visitor destination targeting new markets including day visitors, short breaks and the US East Coast visitor market. Improved website and visitors guides, promoting Plymouth's waterfront, sailing events and the city as a national conference destination including conference enquiry handling.

Major Events

Establish a major Summer Shore-side Events Programme, by creating on-shore events that complement existing on-water sports, delivering themed weekend activities and drawing prestigious tall ships. Creating a major new event with international profile to extend the Summer season into September.

Visitor Welcome, Access, Signage and Information

Dramatically improve signage and interpretation to tell Plymouth's many stories. Develop enhanced pedestrian and cycling links between the City Centre and Waterfront. Seek to deliver additional, free short term berthing to increase yacht visits. Create linked boat, cycle and pedestrian trails.

Safer Waterfront

Work with partners to employ a new Evening and Night Time Economy Manager. Deliver improved management and promotion of shops, pubs and late licensees. Provide a dedicated 24 hour hotline with a one hour rapid response. Create family orientated Bank Holiday weekends.

Cleaner Waterfront

Ensure that the Council's cleansing standards are maintained and operationally manage existing Council cleansing staff to ensure a Waterfront rapid response clean team with highly visible blue Waterfront uniforms. Employ a Waterfront Caretaker to promptly tackle urgent maintenance, painting and repairs. Anti-litter campaigns and a community volunteers' programme for regular Waterfront clean ups.

Waterfront Environment

Develop attractive planting schemes to secure award-winning status and dress vacant shop windows, providing artistic and creative displays. Ensure a repaint of Plymouth's iconic Smeaton's Tower. Provide Christmas illuminations focused on linking the City Centre with the Barbican. Commission a bespoke 'visitor welcome' training programme for Waterfront staff, bus and taxi drivers.

Inward Investment and Regeneration

Establish an agreed vision for development of key Waterfront sites and seek funding for targeted improvements. Lead economic development in the Waterfront, encouraging new businesses and brands to invest. Coordinate efforts to create mini-destinations nationally famed for their individuality e.g. The Barbican, Sutton Harbour, The Hoe and Royal William Yard.

Lobbying and Influence

With the power of a strong BID mandate, PWP will use its business voice to lobby for: more static/mobile CCTV cameras; better Barbican street lighting; car parking and gateway improvements; improved maintenance and repair of Waterfront public toilets; tackling waste hotspots including using bin stores and seagull proof bins. PWP will also be the primary consultee for City Council strategies and major planning applications within the Waterfront area.

BID Member Benefits

Use the buying power of the BID to provide reduced utility and insurance costs; gain increased networking and advertising opportunities; free listing of BID Members on the Visit Plymouth and PWP websites; reduced cost of Chamber of Commerce and Federation of Small Businesses membership; create a Privilege Card for all Waterfront businesses, with promotional offers on entertainment, food and shopping.