

Public Document Pack



Tracey Lee
Chief Executive

Plymouth City Council
Civic Centre
Plymouth PL1 2AA

Please ask for Nicola Kirby, Democratic
Support

T 01752 304867

E nicola.kirby@plymouth.gov.uk

www.plymouth.gov.uk/democracy

3 December 2012

CABINET

Tuesday 11 December 2012

2.00 pm

Council House (Next to the Civic Centre), Plymouth

Members:

Councillor Evans, Chair

Councillor Peter Smith, Vice Chair

Councillors Coker, Lowry, McDonald, Penberthy, Vincent and Williams.

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

This agenda acts as notice that Cabinet will be considering business in private if items are included in Part II of the agenda.

Tracey Lee
Chief Executive

CABINET

NOTICE

FURTHER NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE (Pages 1 - 2)

AGENDA

PART I – PUBLIC MEETING

1. APOLOGIES

To receive apologies for absence submitted by Cabinet Members.

2. DECLARATIONS OF INTEREST (Pages 3 - 4)

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda. A flowchart providing guidance on interests is attached to assist councillors.

3. MINUTES (Pages 5 - 14)

To sign and confirm as a correct record the minutes of the meeting held on 13 November 2012.

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, 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.

6. REVENUES AND BENEFITS PERFORMANCE UPDATE (Pages 15 - 20)

The Director for Corporate Services will submit a report providing an update on the performance of the Revenues and Benefits service.

7. 2013/14 INDICATIVE BUDGET (REVENUE AND CAPITAL) ALLOCATED TO CORPORATE PRIORITIES (Pages 21 - 110)

The Director for Corporate Services will submit a report on Plymouth City Council's indicative revenue and capital budget. It sets out the indicative net budgets by department; the adequacy of reserves; the robustness of the budget and details the directorate revenue budget delivery plans.

8. COUNCIL TAX SUPPORT SCHEME (Pages 111 - 116)

The Director for Corporate Services will submit a report on a localised Council tax support scheme to be adopted by January 2013 and fully implemented by April 2013.

9. COUNCIL TAX TECHNICAL REFORMS (Pages 117 - 124)

The Director for Corporate Services will submit a report seeking approval for changes to current Council tax exemptions in preparation for main billing in April 2013.

10. CHILD POVERTY STRATEGY 2013-2016: CONSULTATION DRAFT (Pages 125 - 150)

The Director for People will submit Plymouth's draft Child Poverty Strategy 2013 – 2016 for consultation during December 2012 and January 2013.

11. FINAL PUBLIC HEALTH TRANSITION ARRANGEMENTS (Pages 151 - 200)

The Director for People will submit a report outlining the final transfer arrangements of public health responsibilities to the local authority by April 2013, including the recommended model for transition with shadow form commencing January 2013 and recognition of the Chief Officer role for public health.

12. TAMAR ESTUARIES MANAGEMENT PLAN 2013 - 2018 (Pages 201 - 214)

The Director for Place will submit a report on a proposal to adopt the Tamar Estuaries Management Plan 2013 – 2018 which provides the latest integrated management framework for the sustainable management of the Tamar Estuaries.

13. LOCAL TRANSPORT BODIES: MAJOR SCHEME FUNDING AND PRIORITISATION (Pages 215 - 220)

The Director for Place will submit a report updating Cabinet Members on the major transport schemes that the City Council has submitted to the Heart-of-the-South-West Local Transport Body for consideration of major scheme funding between 2015/16 – 2018/19.

14. CAPITAL INVESTMENT DELIVERY FOR MARINE ACADEMY PLYMOUTH FREE PRIMARY SCHOOL (Pages 221 - 226)

The Director for People will submit a report on a proposal for the Council to act as the procurement agent for the delivery of a new two form of entry primary school at the Marine Academy Plymouth and to waive Clause 18 of Contract Standing Orders. (See also agenda item 18 below).

15. EXTRA CARE HOUSING SERVICES (Pages 227 - 236)

The Director for People will submit a report summarising the recent tender process for the commissioning of extra care housing services and recommending the award of a number of contracts. (See also agenda item 19 below).

16. CONTRACT AWARD - HEALTHWATCH (Pages 237 - 242)

The Director for People will submit a report summarising the recent tender process for the commissioning of Healthwatch Plymouth and recommending the award of the contract to a single provider. (See also agenda item 20 below).

17. 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 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.

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.

18. CAPITAL INVESTMENT DELIVERY FOR MARINE ACADEMY FREE PRIMARY SCHOOL (E3) (Pages 243 - 246)

The Director for People will submit a report on the confidential implications of the capital investment delivery for Marine Academy Plymouth Free Primary School. (See also agenda item 14 above).

19. EXTRA CARE HOUSING SERVICES (E3) (Pages 247 - 260)

The Director for People will submit a report on the contract award for extra care housing services. (See also agenda item 15 above).

20. HEALTHWATCH - CONTRACT AWARD (E3)

(Pages 261 - 268)

The Director for People will submit a report on the contract award for Healthwatch.
(See also agenda item 16 above).

This page is intentionally left blank

FURTHER NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE



3 DECEMBER 2012

REGULATION 5 OF THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS) (ACCESS TO INFORMATION) (ENGLAND) REGULATIONS 2012

A Notice was published on 12 November 2012 indicating that the Cabinet meeting on 11 December 2012 is likely to move into private session to consider the following decisions under Section 100A(4) of the Local Government Act 1972 where the press and public may be excluded from the meeting on the grounds that it/they may involve the likely disclosure of exempt information in accordance with Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

No representations have been received in respect of the following -

Title	Exemption Paragraph
Healthwatch – Contract Award	Paragraph 3
Adult Social Care Services delivered within Extra Care Housing – Contract Award	Paragraph 3
Marine Academy Free School Contract Award	Paragraph 3

This page is intentionally left blank

What matters are being discussed?



D
P
I

Does the business relate to or is it likely to affect a disclosable pecuniary interest. These will include the interests of a spouse or civil partner (and co-habitees):

- any employment, office, trade, profession or vocation that they carry on for profit or gain;
- any sponsorship that they receive including contributions to their expenses as a councillor; or the councillor’s election expenses from a Trade Union;
- any land licence or tenancy they have in Plymouth;
- any current contracts leases or tenancies between the Council and them;
- any current contracts leases or tenancies between the Council and any organisation with land in Plymouth in they are a partner, a paid Director, or have a relevant interest in its shares and securities;
- any organisation which has land or a place of business in Plymouth and in which they have a relevant interest in its shares or its securities.

No ↓ Yes → Declare interest and leave

P
e
r
s
o
n
a
l

I
n
t
e
r
e
s
t

Might a decision in relation to that business be reasonably be regarded as affecting (to a greater extent than the majority of other Council Tax payers, ratepayers or inhabitants of ward affected by the decision)

- Your well-being or financial position; or
- The well-being or financial position of:
 - A member of your family or any person with whom you have a close association; or
 - Any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
 - Any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000;
 - Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your Authority; or
 - Any body exercising functions of a public nature, directed to charitable purposes or whose principal includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management?

↓ Yes

You must disclose the existence and nature of your personal interests



Would a member of the public, with knowledge of the relevant facts, reasonably regard your personal interest to be so significant that it is likely to prejudice your judgement of the public interest?

No →

You can participate in the meeting and vote (or remain in the room if not a member of the meeting)

↓ No

P
r
e
j
u
d
i
c
i
a
l

I
n
t
e
r
e
s
t

↓ Yes

– Does the matter affect your financial position or the financial position of any person or body through whom you have a personal interest?
 – Does the matter relate to an approval, consent, licence, permission or registration that affects you or any person or body with which you have a personal interest?
 – Does the matter not fall within one of the exempt categories of decisions?

No ↰

↓ Yes

Speak to Monitoring Officer in advance of the meeting to avoid allegations of corruption or bias

This page is intentionally left blank

Cabinet

Tuesday 13 November 2012

PRESENT:

Councillor Peter Smith, Vice Chair in the Chair.
Councillor Lowry, Vice Chair for the meeting.
Councillors Coker, McDonald, Penberthy, Vincent and Williams.

Also in attendance: Tracey Lee (Chief Executive), Adam Broome (Director for Corporate Services), Carole Burgoyne (Director for People), Anthony Payne (Director for Place), Jayne Donovan (Assistant Director for Environmental Services), Phil Heseltine (Head of Transport Strategy), Richard Longford (Head of Communications) and Andy Netherton (Unit Manager, Safety, Health and Licensing Unit).

Apology for absence: Councillor Evans (Chair)

The meeting started at 2.00 pm and finished at 2.50 pm.

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

79. **DECLARATIONS OF INTEREST**

In accordance with the code of conduct, there were no declarations of interest made by members in relation to items under consideration at the meeting.

80. **MINUTES**

Agreed the minutes of the meeting held on 16 October 2012.

81. **QUESTIONS FROM THE PUBLIC**

There were no questions from the public for this meeting.

CHAIR'S URGENT BUSINESS

82. **Vice Chair for the Meeting**

In the absence of Councillor Evans (Chair), Agreed that Councillor Lowry is appointed Vice Chair for this meeting.

83. **Order of Agenda Business**

Agreed that agenda item 6 (Traded Services for Schools (maintained schools and academies) is considered at the end of part one of the agenda.

(In accordance with Section 100(B)(4)(b) of the Local Government Act, 1972, the Chair brought forward the above items for urgent consideration because of the need to appoint a Vice Chair and so that the Cabinet Member for Children and Young People could present the proposals on traded services for schools).

84. **GAMBLING ACT 2005 - THREE YEAR REVIEW OF THE STATEMENT OF PRINCIPLES**

The Director for Place submitted a written report on the three year review of the City Council's Gambling Act Statement of Licensing Policy and asked the Cabinet to recommend the draft policy to the City Council for adoption.

The report provided a summary of the main changes to the existing policy and proposed a revised three year policy to be effective from 31 January 2013.

The main changes, introduced as a consequence of revised guidance issued by the Gambling Commission and as a result of test purchase operations undertaken by the Public Protection Service, were –

- (a) additional requirements (adequate physical separation, screens and barriers) to limit the sub-division of premises which in turn would control the numbers of high value gaming machines allowed;
- (b) additional measures concerning the layout of individual premises, intended to reduce the risk of children being able to access age-restricted gambling activities; and
- (c) confirmation of the Council's position that non-payment of fees would result in the revocation of the licence.

Councillor Vincent (Cabinet Member for Environment) presented the proposals and indicated that following consultation, two responses were received from the public and further work would be undertaken on how the negative aspects of the policy affected residents.

Cabinet Members were advised that there was currently no evidence linking child poverty to gambling and that the issue would be built into the child poverty strategy.

Alternative options considered and reasons for the decision –

As set out in the report.

The City Council is Recommended to adopt the Gambling Act Statement of Licensing Policy contained in Appendix B to the report.

85. **ROYAL WILLIAM YARD - COAST PATH LINK**

The Director for Place submitted a written report following an offer of a grant from Natural England to facilitate the delivery of a project to re-route the South West Coast Path through Devil's Point Park to connect this area to the Royal William Yard. The project would include the construction of a stairway into the yard and would enable the path to be connected all the way around the peninsula. This would enable better use of the outstanding natural and historic assets of both the park and the yard and promote the economic and cultural vitality of the area. It would also provide a stunning new visitor attraction for the path.

To receive the funding, the access link must be in place by the end of this financial year. It was proposed that Urban Splash was used as the contractor as they had secured planning permission and listed building consent for the coast path link and had produced design work for the project.

The City Council would retain ownership of the new asset (stairway and new section of the path) but these features would be added to the existing lease the Council had with Urban Splash so that they would be responsible for maintenance.

Councillor Vincent (Cabinet Member for Environment) presented the proposals. The Director for Place reported that planning permission had been granted for the scheme.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) that the capital programme is amended to include the Royal William Yard coast path link project;
- (2) that a grant is accepted from Natural England to the value of £237,000 to enable delivery of the coast path link;
- (3) that the new staircase and section of the South-West Coast Path is included onto the Council's asset register and officers are instructed to add this asset to the existing lease agreement between Plymouth City Council and Urban Splash;
- (4) the procurement strategy for delivering the projects and to delegate authority to the Assistant Director for Place, in consultation with the Portfolio Holder for Environment, to agree the contracts.

86. **LOCAL TRANSPORT BODIES AND MAJOR SCHEME FUNDING**

The Director for Place submitted a written report on the devolution of transport major scheme funding to new Local Transport Bodies and to ask Cabinet to nominate Plymouth City Council's representative on the Heart of the South-West Local Transport Body (HotSW LTB).

The report indicated that –

- (a) the City Council had entered into a Local Transport Board, based on the Heart of the South-West Local Enterprise Partnership geography, together with Devon and Somerset County Councils and Torbay Borough Council;
- (b) the Local Transport Body would be required to provide detail on its governance arrangements and assurance framework by the end of December 2012;
- (c) the terms of reference would propose that one member from each Local Transport Authority together with one from the Local Enterprise Partnership, would have voting rights. The representatives of the Highways Agency and Network Rail would be invited to sit on the Board without voting rights;
- (d) it was proposed that a Local Transport Body Technical Officer Group would be established providing advice and guidance to the board;
- (e) indicative funding allocations for 2015/16 to 2018/19 were expected by mid-October subject to confirmation in the announcements on the Comprehensive Spending Review. It was anticipated that the body would receive approximately £40 million over a four year period;
- (f) a further report would be presented to Cabinet outlining the prioritisation process and detailing the schemes that the Council wished to be considered for major scheme funding between 2015/16 and 2018/19.

Councillor Coker (Cabinet Member for Transport) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

The update on the devolution of Major Scheme Transport Funding to new Local Transport Bodies was noted.

Agreed that the Portfolio Member for Transport is nominated as Plymouth City Council's member on the Heart of the South-West Local Transport Body.

87. **REVENUES AND BENEFITS PERFORMANCE UPDATE**

The Director for Corporate Services submitted a written report providing an update on the performance of the revenues and benefits service.

Councillor Lowry (Cabinet Member for Finance) presented the update and indicated that there were continuing concerns on the direction of travel of performance with case loads continuing to rise. He stressed the need to the Director for Corporate Services for an improvement in services.

Alternative options considered and reasons for the decision –

As set out in the report.

The progress made by the service since the implementation of a new structure in November 2011 was noted with the service now benchmarking as being 'below average' costs with improving service delivery.

88. **FINANCE - CAPITAL AND REVENUE MONITORING REPORT (INCLUDING ADDITIONS TO THE CAPITAL PROGRAMME TO BE APPROVED AT COUNCIL)**

The Corporate Management Team submitted a written report outlining the financial position of the Council as at the end of September 2012 and recommending further actions to address the projected overspend to achieve a balanced budget at year end.

The report indicated –

- (a) that the estimated revenue overspend was now £3.221m (an increase of £1.432m in the quarter) against a net revenue budget of £203.766m;
- (b) that the overspend within the People Directorate was due to pressures totalling £3.151m in Adult Social Care linked to demographic changes, increased demand for supported living and reduced income from a number of sources. The pressures were similar to those being faced by adult social care services across the country with funding shortages, an ageing population and people living longer with disabilities and illness;
- (c) that the capital programme for the current year was over £60m, rising to £132m by 2015/16. A number of new capital schemes were presented for noting or approval;
- (d) progress on the revenue delivery plans for 2012/13;
- (e) that the latest forecast for the capital programme, as at end of September 2012, was £57.390m assuming approval of the recommendations in this report and in other reports on this Cabinet agenda. The new capital schemes (over £0.500m) set out in Table 14 in the written report would be referred to the City Council for approval and amounted to £11.772m (in the period 2012/13 – 2015/16).

Councillor Lowry (Cabinet Member for Finance) presented the report and proposed two additional recommendations concerning the introduction of a staff incentive scheme and the reintroduction of a voluntary release scheme. He advised that the costs of the voluntary release scheme could be met from provision that had been made for redundancies and that there would be no enhanced packages offered to staff. The Chief Executive and directors were asked to ensure that those staff who left the Council were thanked for their services.

Councillor Lowry also drew Cabinet Members' attention to the provision of £250,000 in the capital programme for road re-surfacing and pot hole repairs.

Alternative options considered and reasons for the decision –

As set out in the report.

Cabinet noted that in the light of the emerging pressure in Adult Social Care, the Chief Executive had commissioned a full review of all demographic pressures across the Council.

Agreed –

- (1) that the forecasted overspend for the year against budget of £3,221m was noted and Portfolio Holders and officers will continue to work closely together to take corrective action to deliver a balanced budget position by March;
- (2) the revenue budget virements as detailed in table 11 of the report;
- (3) the reprofiling and variations (reductions) of (£5.097m) in 2012/13 and £3.422m for future years to capital spend, as detailed in Appendix B to the written report;
- (4) the introduction of a staff incentive scheme, to engage all members of staff to put forward cost saving initiatives;
- (5) the re-introduction of a voluntary release scheme to allow staff to leave during the current financial year.

(See also minute 88a below).

88a Finance - Capital and Revenue Monitoring Report (including additions to the capital programme - Recommendation to the City Council.

Further to minute 88 above, the City Council is Recommended to approve the new capital schemes over £0.500m for investment as detailed in Table 14, amounting to £11.772m.

89. POOLING OF BUSINESS RATES IN DEVON FOR 2013/14

The Director for Corporate Services submitted a written report on the new business rates retention scheme and the business rates pooling proposal for the Devon region.

Councillor Lowry (Cabinet Member for Finance) presented the proposals and the Director for Corporate Services reported that the Council would be reimbursed from the scheme with any costs associated with being the lead authority.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the Council enter the Devon business rate pooling scheme for 2013/14, subject to the Director for Corporate Services and the Chief Executive being satisfied that it is in the Council's financial interests to do so;
- (2) subject to recommendation (1) above, the Council agree to offer to be lead authority for the scheme.

90. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF MINIBUSES**

The Director for Place and the Director for People submitted a written report seeking approval to implement Phase 2 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme relating to the purchase of 26 minibuses for adult social care, home to school transport and special schools.

The Chair drew the attention of Cabinet Members to the private report also submitted and referred to in minute 94 below, on the cost benefit analysis.

Councillor Vincent (Cabinet Member for Environment) presented the proposals and indicated that implementation of this phase would start a rolling programme of vehicle replacement. Councillor Williams (Cabinet Member for Children and Young People) reported that all the schools had been consulted on the proposals and Councillor McDonald (Cabinet Member for Public Health and Adult Social Care) advised that the proposals would widen opportunities for access to the service and would support the personalisation agenda for adult social care.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed the purchase of 26 minibuses, at a cost of £0.98m.

(See also minute 90a below).

90a **Capital Investment for the Replacement of Minibuses -
Recommendation to the City Council**

Further to minute 90 above, the City Council is Recommended to add this £0.98m project to the Capital Programme 2013 – 15.

91. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF PLANT AND EQUIPMENT**

The Director for Place submitted a written report seeking approval to implement Phase 3 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme to renew equipment used by the Street Scene Services and cemeteries.

The attention of Cabinet Members was drawn to the private report also submitted and referred to in minute 95 below on the cost benefit analysis and a comparison between whether to purchase or hire plant and vehicles.

Councillor Vincent (Cabinet Member for Environment) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed the purchase of the plant, equipment and vehicles as detailed in the report.

(See also minute 91a below).

91a **Capital Investment for the Replacement of Plant and Equipment - Recommendation to the City Council**

Further to minute 91 above, the City Council is Recommended to add this project of £1.707m to the Capital Programme 2013 – 15.

92. **TRADED SERVICES WITH SCHOOLS (MAINTAINED SCHOOLS AND ACADEMIES)**

The Director for People and the Director for Corporate Services submitted a written report on an analysis of the services offered to schools in the light of the changing educational landscape and further delegation of funding to schools directed through national school funding reform. This would inform the prospectus of Service 4 Schools which must be published in December 2012 for the period 2013 to March 2014 and would enable the Authority to enter into an increasingly competitive market.

Councillors Williams (Cabinet Member for Children and Young People) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) the principle of continuing to offer services to schools through the Prospectus of Services 4 Schools;
- (2) that the prospectus is simplified to cover a core offer of services which provides value for money, generates significant income and /or has a strategic benefit for the Council. Other services can still be offered direct to schools on a pay as you go basis and will be priced appropriately using a full cost recovery rate according to the work required;
- (3) a charging policy which expects services to cover the marginal cost of selling service to schools and makes a contribution towards the Councils' fixed costs wherever possible. The relevant director will review and approve exceptions to this policy if the service is considered to have a significant strategic benefit to the Council or where a robust business plan indicates that an incremental charging policy is required to support the longer term viability of the service;
- (4) that services which cannot recover cost and do not have a significant strategic benefit will be discontinued;
- (5) that the Council will maximise the value of good quality and efficient services by expanding the offer outside of the City boundary;

(6) that the simplified prospectus of services covering the period April 2013 – March 2014 will be published in December 2012 to enable the Council to fully establish its position in the market;

(7) the proposed core offer, pay as you go options and commercially available services which will be signposted from the prospectus and the services to be removed from the prospectus shown in Appendix A. The risks and mitigating action for each service is noted.

93. **EXEMPT BUSINESS**

Agreed that under Section 100(A)(4) of the Local Government Act, 1972, the press and public are 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.

94. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF MINIBUSES (E3)**

The written report of the Director for Place and the Director for People was submitted providing confidential details relating to the cost benefit analysis relating to Phase 2 of the Councils' Strategic Vehicle, Plant and Specialist Equipment Replacement programme relating to the purchase of minibuses for adult social care, home to school transport and special schools.

(See also minute 90 above).

95. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF PLANT AND EQUIPMENT (E3)**

The written report of the Director for Place was submitted providing confidential details relating to the cost benefit analysis and a comparison between whether to purchase or hire plant and vehicles, relating to Phase 3 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme to renew equipment used by Street Scene Services and cemeteries.

(See also minute 91 above).

96. **EDUCATION CATERING SERVICE - THE CONTINUED PROVISION OF A CITY-WIDE SCHOOL MEALS SERVICE POST SCHOOL FUNDING REFORM (E3)**

The Director for Place submitted a written report on the options available to the Council in relation to the future provision of a school meals' service in the light of school funding reforms.

Councillor Williams (Cabinet Member for Children and Young People) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the Education Catering Service continues to work with schools under ‘pooled’ budget arrangements or via a traded service as indicated by schools as a preferred outcome at the recent school consultation event;
- (2) where schools opt to ‘pool’ the budget, a clear strategy of the Education Catering Service and school engagement and partnership working is adopted to increase paid meal take-up (income) thereby improving the viability of the service (City-wide and at individual school level) and reducing the need for the support over the period commencing 1 April 2013 and reducing to nil in 2016/17;
- (3) as a consequence of the current economic climate, the Free School Meal Allowance and the selling price of the Paid for Meal remain at the existing levels across all sectors for the period to 31 March 2013;
- (4) the Education Catering Service explore additional trading options and potential revenue streams.

PLYMOUTH CITY COUNCIL

Subject:	Revenues and Benefits Performance Update
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Lowry
CMT Member:	Adam Broome (Director for Corporate Services)
Author:	Martine Collins (Strategic Manager Revs and Benefits)
Contact:	Tel: 01752 304118 email: martine.collins@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

To provide Cabinet with an update on the performance of the Revenues and Benefits service.

Corporate Plan 2012-2015:

The Revenues and Benefits service significantly contributes to the Inequalities Agenda ensuring that the most vulnerable residents of Plymouth receive the appropriate benefit entitlement. Also strong links into Value for Communities.

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

The Revenues and Benefits service undertook a major restructure in 2011/12 which reduced overall funding by c.£1m and fundamentally changed working practices. The Council administers housing benefit subsidy of c.£100m per annum.

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

- An effective Revenues and Benefits service helps address inequalities through ensuring that vulnerable residents receive appropriate benefit entitlement.
- The service undertakes annual benefit take up campaigns which are targeted to areas of greatest need.

Recommendations & Reasons for recommended action:

Cabinet are asked to note the progress made by the service since the implementation of a new structure in November 2011.

Alternative options considered and reasons for recommended action:

The restructure of the Revenues and Benefits service was undertaken in response to benchmarking information which demonstrated that the service was performing below standard and above cost.

Background papers:

Quarterly Performance and Finance Reports

Numerous background papers in relation to the Revenues and Benefits and Customer Service restructure

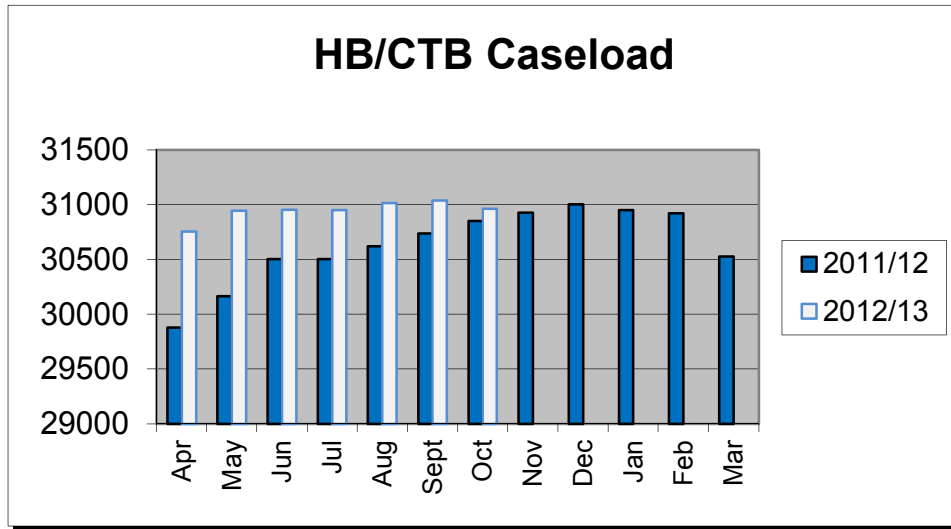
Report by the Overview and Scrutiny Task and Finish Group regarding restructure

Sign off:

Fin	MC121 3.017	Leg	lt 16175	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Malcolm Coe											
Have you consulted the Cabinet Member(s) named on the report? Yes											

Housing Benefit

Number of Housing Benefit and Council Tax Benefit claimants

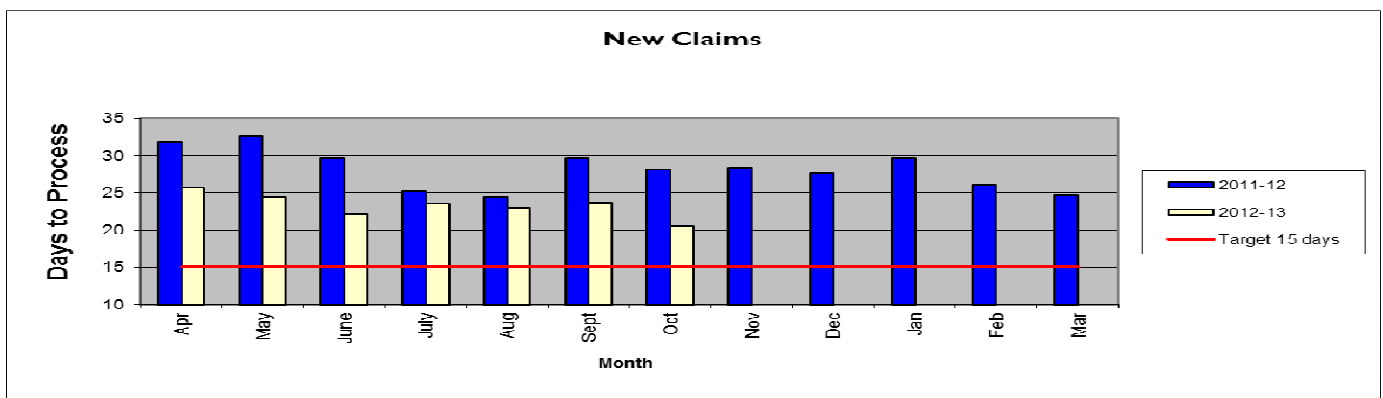


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2012/13	30754	30945	30953	30952	31015	31040	30,982					
2011/12	29879	30165	30505	30504	30621	30737	30853	30929	31004	30952	30923	30528

Caseload figures dropped slightly during October however the average caseload per Plymouth City Council FTE staff member is still more than 1,000 which is above average compared with other Councils.

Processing of New Claims

■ Target 15 days - October 20.51 days



	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2012	25.62	24.49	22.09	23.54	23.05	23.73	20.51	21	20	22	20	18
2011	31.74	32.70	29.74	25.19	24.47	29.70	28.13	27.71	27.71	29.77	26.05	24.68



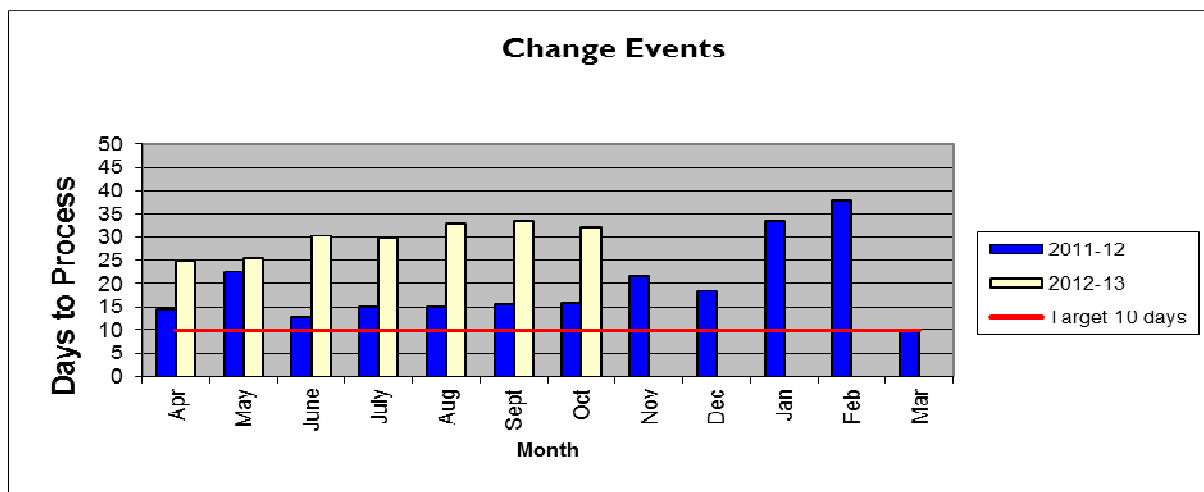
Forecast Processing Times

Significant improvement has been made with our October 2012 performance of 20.51 days being better than all Council average. This is a major step forward compared to the historical, (bottom quartile), performance of 30 days that we were achieving prior to the restructure.

Change Events



Target 10 days - October 31.89 days



	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
2012	25.05	25.41	30.23	29.73	33.08	33.86	31.89	26	24	22	19	15
2011	14.58	22.57	12.94	12.12	15.15	15.62	15.73	18.34	18.34	33.36	37.82	25



Forecast Processing Times

As expected processing times for October have started to improve as we continue to work through the issues with the DWP ATLAS files. The service undertook a major office reorganisation in the month which will better equip staff to work more flexibly and better respond to customer demand.

We are confident that we will continue to see improved processing times as the oldest work is cleared by a dedicated team set up to clear the backlog of ATLAS files. Initiatives such as late night working (midnight) which were held in October, and will be held again during November, continues to clear the oldest work, however this concentrated effort does impact on processing times in the short term.

Issues surrounding the DWP's ATLAS files are an on-going national issue with processing times for 'changes in circumstances' significantly increasing, (in the short term), across a number of authorities with many now reporting backlogs of between 6 to 8 weeks.

Collection Rates

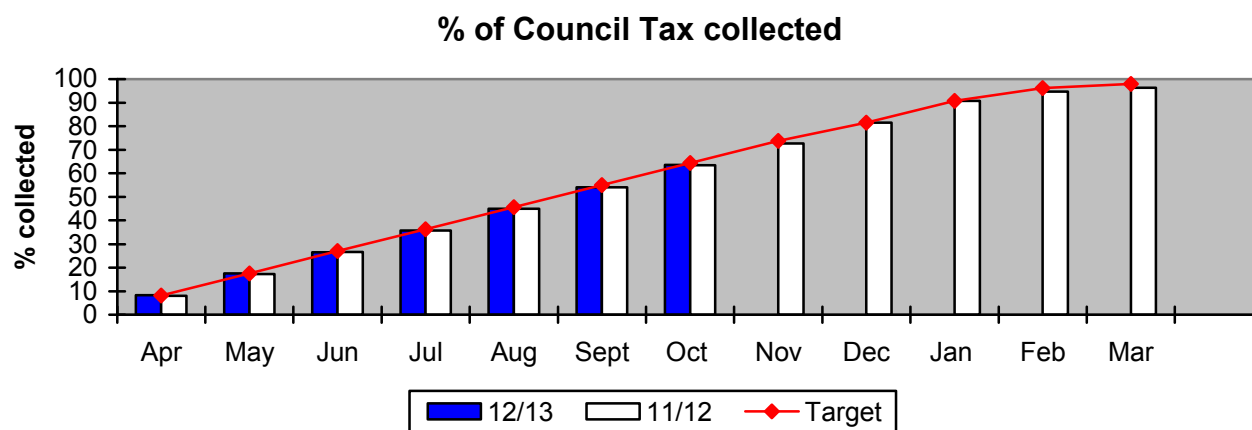
Council Tax

- Net Collectable Debt 2012/13 £93,653m
- Collection Target 2012/13 98.00%



Monthly Target = 64.34%
Collection Rate = 63.60%

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
12/13 (%)	8.25	17.53	26.53	35.70	44.95	54.07	63.60	72.72	81.68	90.91	94.93	96.6%
11/12 (%)	8.07	17.31	26.62	35.61	44.85	54.04	63.34	72.60	81.54	90.71	94.68	96.30
Target (%)	8.22	17.61	27.06	36.19	45.57	54.90	64.34	73.74	81.54	90.71	96.24	98.00



Council Tax collection has continued to improve at 63.60% for October against a collection of 63.34% for the same point last year. However, we are marginally short of the in-year collection target that we have set.

We continue to telephone customers falling into arrears promote payment and avoid recovery action. This is reducing the number of summons being issued and securing payments which would otherwise go through the recovery cycle.

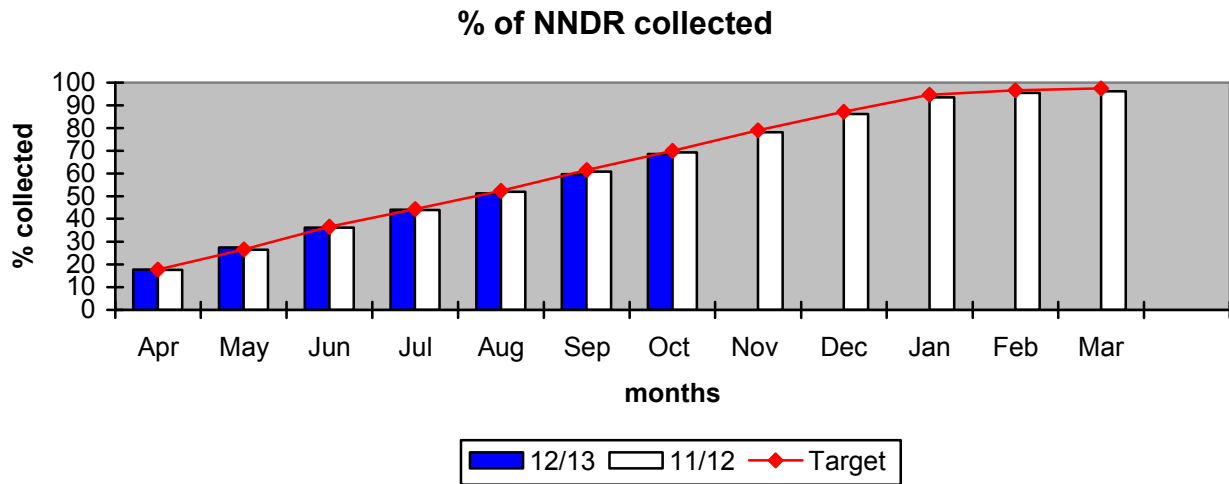
National Non Domestic Rates

- Net Collectable Debt 2012/13 £88,024m
- Collection Target 2012/13 96.90%

Monthly Target = 69.73% £61,262,292
 Collection Rate = 68.48% £60,168,116

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
12/13 (%)	17.82	27.46	36.11	43.95	51.20	59.66	68.48	77.92	86.13	95.42	95.75	96.63
11/12 (%)	17.63	26.48	36.17	43.80	51.84	60.85	69.23	78.14	86.19	93.52	95.49	96.21
Target (%)	17.74	26.69	36.48	44.22	52.28	61.31	69.73	78.66	86.73	94.09	96.08	96.90

NOTE: Target of 96.90% is a revision from 97.50% after taking into account the business rates deferral scheme where businesses can defer payment of their rates for 2 years.



Collection of business rates is under target by 0.71% against the same point last year; however this position has improved on September where collection was 1.21% below the same point last year.

Proactive recovery work and a revised recovery timetable have meant that we are able to target outstanding rates more effectively.

A reduction in the collection of business rates is common across a number of authorities as the economic climate continues to be a challenge, but we continue to focus on proactive recovery to improve the situation.

CITY OF PLYMOUTH

Subject:	2013/14 Indicative Budget (Revenue & Capital) allocated to corporate priorities
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Lowry
CMT Member:	Adam Broome (Director for Corporate Services)
Author:	David Northey, Head of Finance
Contact:	Tel: 01752 304566 email: david.northey@plymouth.gov.uk
Ref:	djn281212
Key Decision:	No
Part:	I

Purpose of the report:

This report sets out Plymouth City Council's 2013/14 Indicative Revenue and Capital Budget. It sets out the net budgets by department; the adequacy of reserves; the robustness of the budget and details the directorate revenue budget delivery plans.

At this stage the budget is subject to a number of caveats and potential changes. These include:

1. The outcome of the Provisional Settlement in December and Final Settlement in January 2013.
 2. On-going consultation processes.
 3. The Council's scrutiny process and conclusion in January 2013.
 4. Further Cabinet meetings in January & February 2013.
 5. Full Council approval of the final budget and Council Tax February 2013.
-

Corporate Plan 2012-2015:

The budget is central to the successful delivery of the Corporate Plan 2012-15.

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

Once approved the 2013/14 budget will become the base year for the Medium Term Financial Forecast (MTFF) 2013-16. The MTFF will be revised and updated soon after the adoption of the 2013/14 budget and will reflect the final settlement announcement. Human

resources, ICT and asset implications have been fully considered and referred to throughout the report.

We are working in a period of funding uncertainty. Following publication of this report, we are expecting a statement to the House from the Chancellor to be delivered 5 December. The local Settlement should be published within the following two weeks of December. Any impacts on our budget resource assumptions will be analysed and presented in a supplementary report to Cabinet February 2013.

We are not alone as a Local Authority in facing the largest public sector reductions in a generation. The Local Government Finance Bill December 2011 takes full effect from April 2013. Not only does the Bill set out the continued reduction in funding, but also the transfer of risk from central to local government. Examples of this are the reform of business rates funding, plus the reform of the local benefits scheme.

We are used to receiving around four to six million pound additional funding each year, rather than the funding reductions we are currently seeing. In the current economic climate it is becoming more difficult to collect the council tax we are due; we are also experiencing a reduction in our other income, from areas such as car parking and commercial rents. On top of the reducing resources, we are seeing extra demand for our services, with people living longer and requiring support, and additional costs such as the increases in utility charges. Landfill tax is escalating, plus we have general inflation on all areas of spend.

We are currently working to guidelines only for Government funding for 2013/14 and 2014/15 and remain only too aware that future funding will be different to the assumptions used. This budget detailed in this report will be subject to public scrutiny in January 2013.

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

All Departmental Delivery Plans are covered by Equalities Impact Assessments, signed off by the relevant Director. Each delivery action has considered the impact on: council priorities, legal obligations, customers and other services and partners. Each separate action has been risk assessed in terms of potential barriers to implementation with corresponding mitigation stated where relevant.

Recommendations & Reasons for recommended action:

This report contains a high level summary of the Corporate Plan 2012-15. The full report will be published to Scrutiny in January 2013 to inform their deliberations on the Council's proposed priorities and budget.

It is recommended that:

1. the proposed revenue target budget requirement of £198.3m for 2013/14 and four year Capital Programme of £132.1m is recommended for consultation;
2. Cabinet consider findings from consultation, feedback from budget scrutiny and any material changes announced in the final settlement for Plymouth City Council in early February '13 and recommend the final revenue and capital budget for 2013/14 to Full Council on 25 February 2013

Alternative options considered and reasons for recommended action:

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

Background papers:

- Finance Settlement Papers Department of Communities and Local Government
- The Prudential Code for Capital Finance in Local Authorities
- Equality Impact Assessments
- The Local Government Act 2003 and The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- Medium Term Financial Strategy June 2012
- Capital Financing Regulations
- Workforce Development Strategy
- Finance monitoring reports for 2012/13

Sign off

Fin	MC121 3.018	Leg	TH006 2	HR	MG121 3/11- 001	Asset Man.		IT		Strat. Proc.	
Originating SMT Member Malcolm Coe											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I. Introduction and Contents

- I.1. This report details how the Council has allocated its revenue and capital resources across departments and priority areas for 2013/14 to improve outcomes for local people. It is fully linked and underpins the Council's Corporate Plan 2012-15.
- I.2. The proposed 2013/14 budget needs to be considered in the context of the national environment with regards to funding assumptions for the Authority. We are experiencing the largest public sector reductions in a generation, with the Government set to announce yet further reductions to Local Authority funding.
- I.3. Central Government is continuing to withdraw financial support for essential frontline public services in Plymouth.
- I.4. The Chancellor's Autumn Statement to the House will be delivered 5 December 2012. This will set out the basis for funding for Local Authorities for one year only.
- I.5. Before we understand the full impact of this announcement, Plymouth City Council is budgeting to reduce spending by a further £17.8m in 2013/14, on top of the £20m already taken out in the past two years, bringing the reductions to a cumulative £37.8m over three years.
- I.6. The Local Government Finance Bill dated December 2011, which comes into effect from 2013, lays out radical reform of the method of income collection for authorities. On top of anticipated grant funding reductions, the Bill focuses on the transfer of risk away from central government to local authorities.
- I.7. A fundamental change has been introduced around the collection of National Non Domestic Rates (NNDR), more commonly known as business rates. Authorities are required to retain 50% of their local rates, rather than passing it 100% to the Treasury and receiving back its allocation. This adds uncertainty to our funding.
- I.8. We cannot escape the fact that the government's deep spending cuts will have a drastic impact on our council and the services we provide to local people and our support for the economy of the city.
- I.9. The changes to the council tax benefit scheme in particular can be interpreted as a tax burden on those less able to pay. We must therefore do everything we can to address the imbalance and increase our income from those best placed to pay more for our services. Our delivery plans are needed to transform our service provision but we need to minimise the impact of any changes on the City's most vulnerable.
- I.10. Any amendments required to this indicative budget, as a result of the December settlement and after consideration of our consultation process and the proposals from the January Scrutiny, will be presented to Council for approval in February 2013.
- I.11. Funding allocations are made within the framework of the Council's Medium Term Financial Forecast, (MTFF), which sets targets and principles for three year revenue budgets and four year rolling capital budgets. The MTFF will be revised, updated, and published, following the approval of the 2013/14 budget and formal approval of the Council Tax.

- 1.12. Appendices to this report provide the main detail and delivery plans that underpin the 2013/14 budgets:

Appendix A	Departmental Indicative Budgets
Appendix B	Local Government Act 2003, Section 25 Section 1: Analysis of Budget Robustness Section 2: Adequacy of Reserves
Appendix C	Directorate Revenue Budget Delivery Plans
Appendix D	Capital Investment Programme 2012/13 to 2015/16
Appendix E	Capital Projects 2012/13 to 2015/16
Appendix F	Supporting detail for the Additional Funding Allocations £8.9m

- 1.13. Within this report, each department describes its departmental context, progress and investment against challenges and pressures faced and lays out a summary of what the department intends to do to deliver a balanced revenue budget in 2013/14, and the plans for 2014-2016

2. The Medium Term Financial Outlook

- 2.1 The City Council continues to find itself operating in the midst of a serious, unprecedented economic downturn, and is facing a series of very challenging issues into the medium term.
- 2.2 The current economy continues to cause budget pressures, such as the impact of reduced income from our car parks and falling income from commercial rents. The downturn has also brought reduced interest rates and therefore reduced income for our treasury investments.
- 2.3 The Council faces increasing spending pressures moving forward; for example, the complexity of need of some of our children in care who require high cost placements and impact of the growing elderly population on adult social care budgets.
- 2.4 We have, for some time, been modelling a year on year real term reduction in our formula grant.
- 2.5 The Council is not unusual in facing these issues and is prepared for the challenge. The Council will need to take some difficult decisions in the period covered in this report about what services it does and what services it doesn't provide. We will need to continue to radically change shape over the coming years.
- 2.6 The Council needs to continue to work more closely and harder with other partners in the public and private sector, both in the city and across the region, to provide the best solution for the city, to ensure we are able to achieve the impossible task set by Central Government.
- 2.7 We are working very closely with our partners in health to maximise the opportunity to integrate frontline services where it is sensible to do so. We are aiming to reduce our "back office" costs by sharing our accommodation, with key health personnel moving into Windsor House. This aims to bring a twofold advantage as we share overhead costs, plus gain synergies from working alongside each other.
- 2.8 A new initiative from Central Government is the reform of Business Rates funding. As part of this new scheme, the Government has encouraged local authorities to set up Business Rate Pools with other local councils. All councils in Devon have been working together to see if setting up a Devon wide pool would benefit the region. From the information that is currently available, if a Devon wide pool is formed then the County would get to keep more of its business rates income than it would if each council acted individually. This could be as much as an extra £23m over the next five years, and a possible £6.5m to Plymouth.
- 2.9 Every council in Devon has now agreed to be part of a Devon wide pool, with Plymouth City Council chosen to act as the lead authority. This is an example of the ambition of Plymouth City Council to be a major player within Devon.
- 2.10 Welfare reform changes continue to evolve, and in response to the funding reductions set by government, we have developed and consulted on a local Council Tax Support scheme to address the difficult challenge of an estimated £2.6m shortfall

in funding. We have not developed this scheme in isolation. This is another example of where we have worked well with our neighbour authorities, to ensure we have responded to consultation with a consistent message, and that we do not encourage claimants to move from one authority's catchment area to another to benefit from different benefit levels.

- 2.11 We are working to deal with the impact of the Government funding reductions, together with new initiatives which transfer risk to us as a Local Authority. We are doing all that we can to protect our frontline services, but must recognise the plans set out in this budget report will have an impact. However, we are seeking to minimise the impact on the most vulnerable people in the City.
- 2.12 For example, under the proposed Council Tax Support scheme, and following consultation with local residents,
- Pensioners receiving support through the current Council Tax Benefit scheme will be protected, their support will not change.
 - We are protecting the single person Council Tax discount.
 - We are protecting the current support for War Widows and Veterans.
 - Reduce Council Tax Support for all working age residents by 25 per cent – not by 30 per cent as recommended by the Government.
- 2.13 Further changes include the Council Tax Technical Reform. This legislation gives local flexibilities to change or withdraw certain council tax discounts and exemptions relating to empty properties. Additionally the opportunity to levy a charge on long term empty properties will come into effect from April 2013. We are working on our proposals under this legislation to maximise our income.
- 2.14 Our ability for future capital investment in the city to stimulate growth and regeneration will also be restricted. The capital programme will continue to require robust management and innovative solutions to ensure that outcomes are maximised and the impact on the Council's revenue budget is kept to a minimum.
- 2.15 Despite reducing resources and increasing spending pressures, Plymouth City Council continues to be ambitious for the investment and growth of the city of Plymouth, with the capital programme for the current year standing at over £57m, rising to £132m by 2015/16.
- 2.16 New schemes include
- a solar panel scheme to improve energy efficiency of council buildings
 - investment in buildings to increase capacity needed for 2 year old nursery places
 - investment in increased primary school places (funding from Government's free school allocation)
 - investment in council vehicles and plant to improve service and reduce costs.
- 2.17 A further example of the council's ambitions for the people of Plymouth is the commitment to the timely delivery of the Administration's 100 Election Pledges.

3. Executive Summary

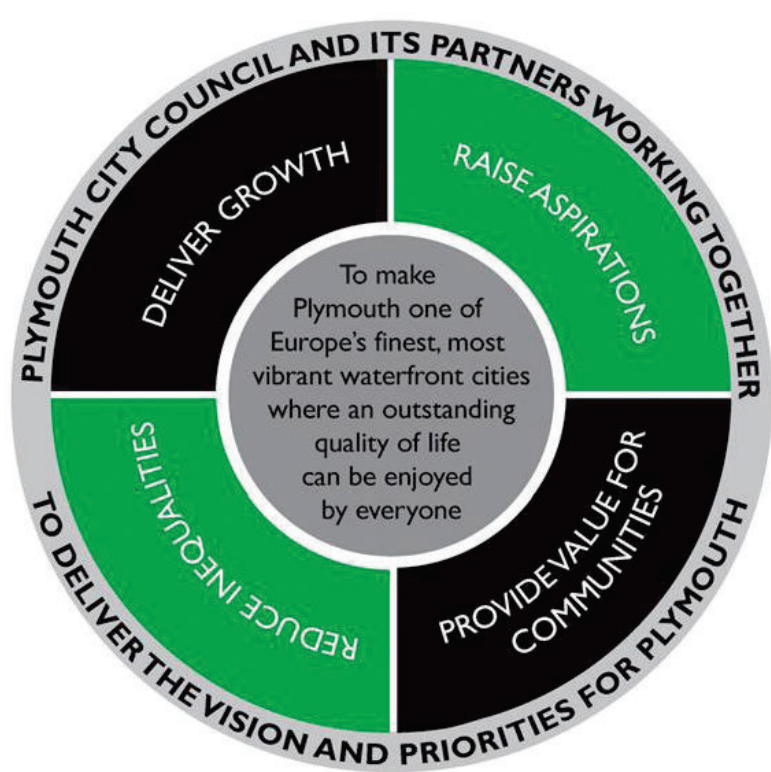
- 3.1 This is a combined Revenue and Capital budget report setting out the City Council's 2013/14 income and expenditure, whilst responding to the administration's strategy to be a more open, cooperative style council.
- 3.2 This budget continues to have a sharper focus on a fewer number of priorities and continues to drive improvement.
- 3.3 In setting the 13/14 budget, we have again developed robust, risk assessed delivery plans. These plans underpin the new 2013/14 budget and will now be subject to a thorough scrutiny process in early January 2013 prior to finalising the budget in February 2013.
- 3.4 Each directorate's budget plans have been subject to a cross-directorate challenge at both CMT and SMT level. Also, for the first time, portfolio holders and directors were challenged by the portfolio holder for finance together with the Director for Corporate Services.
- 3.5 The outcomes from these challenges and the developed savings delivery plans have been considered to influence our resource allocation within the 2013/14 budget.
- 3.6 The Delivery Plan savings put in place in 2011/12 included indicative areas of step up in the savings required to underpin the 2013/14 base budget and for future years. Following a full review, these plans have been refined and, where applicable, have been incorporated with the new 2013/14 budget delivery plans.
- 3.7 Capital resources remain under review with the Council considering every possible avenue to maximise future funding opportunities.

4. Priority focus

- 4.1 As in 2012/13 we have built the budget around our priorities for the city, the council and our key partners: to deliver growth, raise aspirations, reduce inequalities and provide value for communities.
- 4.2 We have recommitted to our growth agenda and recognised that we need to focus on it much more strongly if we are to achieve the step change required to achieve our vision for the city. This is the agenda that makes Plymouth distinct.
- 4.3 Closely tied to that is the need to raise aspirations. We not only want our children and young people to set their sights higher, but for those in contact with them to have higher expectations; for people to want to come to Plymouth as a place where they can develop and prosper. We do not want the local population to be held back by deprivation and inequalities, but to contribute to and share in the city's growth.

- 4.4 At the same time, we recognise that we are operating in tight financial circumstances and need to be innovative, resourceful, more customer focused; and provide greater value for money. These priorities are all interlinked.
- 4.5 Together with partners we have agreed a set of Level 1 outcome measures for which we share collective responsibility.
- 4.6 We must have a sustained focus to deliver improved outcomes. Our shared vision and priorities are shown in Figure 1.

Figure 1: City and Council top level priorities



- 4.7 Following our analysis of the Plymouth Report in 2010 we reduced the number of our priorities for the city, the council and our key partners to four, in order to drive the vision:

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

- 4.8 Together with partners we agreed a set of very high level long term outcome measures that sit under the priorities and for which we share collective responsibility. Under these sit a set of medium term outcome measures.

Level 1 Long-term Outcome Measures			
Deliver growth	Raise aspirations	Reduce inequality	Provide value for communities
Increase the number of jobs in Plymouth	Raise Plymouth's Level 4 attainment so that it exceeds the national average by 2% by 2020.	Reduce the gap in life expectancy by at least 10% between the fifth of areas with the lowest life expectancy and the population as a whole by 2020	Increase the value of commissioned goods and services by the third sector
An increase in the headline gross value added per head index at current basic prices	Increase in the number of visitors coming to the city	Reduce the rates of premature mortality (<75 years) in men from all causes by 40% by 2020	Increase customer satisfaction with all public services offering VFM
Deliver connectivity with key regional, national and international markets	Overall / general satisfaction with local area	Reduce Child Poverty	Increase % of people who feel they can influence decisions in their locality
Increase the range and quality of housing in safe, inclusive and sustainable communities	Increase the new business		Per Capita CO2 emissions in the LA area
			Increase % of people who believe people from different backgrounds get on well together

- 4.9 Beneath these Level 1 outcome measures we have developed and agreed more detailed Level 2 medium term measures. Full details are available in the Corporate Plan 2012-2015.

5. Revenue Resources

- 5.1 Our resources for 2013/14 are, at this stage, based on assumptions. Again we have reflected expected further formula grant reductions, as shown in *figure 2*. This is unprecedented in terms of local authority funding to date. This reflects the fourth consecutive year of reductions, as compared to previous year-on-year funding increases.
- 5.2 Central Government has now confirmed (late October 2012) the offer of a further one-off Council Tax Grant allowance to cover 2013/14. Unlike the two previous allowances which were both equivalent to 2.5% of the Council tax base, this offer is set at the equivalent of a 1% rise for a two year period.
- 5.3 For Plymouth City Council, this change of policy from 2.5% to 1% equates to a reduction in the grant of approximately £1.5m. If accepted, this grant would mean the Authority would have a year on year shortfall in future funding, as this money is removed from the budget from 2014/15 onwards.

- 5.4 The 2012/13 Grant was for one year only. This means for 2013/14 we start with a £2.4m reduction in our funding from the 2012/13 base, before considering any reduction to the coming year's funding.
- 5.5 CMT and Cabinet have been made aware of our modelling assumptions over the past months and our Medium Term Financial Strategy, (MTFS), showing the impact of funding reductions has been published on our website.
- 5.6 The National context highlighted a 28% reduction (7% per year) in funding over the Comprehensive Spending Review period, 2011/12 – 2014/15. We are now modelling an assumed 7% reduction in formula grant funding for 2013/14, accumulating to just over 18% when added to the actual funding reductions for 2011/12 and 2012/13. This is on net revenue budget only, and does not include the reductions and deletions of specific grant funding, held elsewhere in the budgets.
- 5.7 The funding reductions shown in figure 2 indicate a 2.7% reduction in 2013/14 compared to 2012/13. However, this does not include the impact of specific grant funding reductions. For instance, the loss of the £2.4m one-off Council Tax Freeze Grant for 2012/13 would increase this reduction to 3.8%. Year on year we have seen our specific ear-marked grants reduce by approximately 5% each year. Over the four year period to 2015/16 this equates to totalling anticipated funding reductions of close to 35%.
- 5.8 We are confident that our overall assumptions are robust and have therefore continued to model our spend allocations on the figures below. However, we continue to carefully monitor, and report on, the impact of changes to numerous specific grants (both revenue and capital) which could have a material impact in certain service areas. The detail of such grants will not become clear until late December 2012 / early January 2013. When known, the specific grant analysis will be fed into the budget scrutiny process in January 2013.
- 5.9 In Figure 2, 2012/13 shows actual funding; 2013/14 shows funding based on our best assumptions as known at the time of preparing the Indicative Budget. Years 2014/15 and 2015/16 are shaded to indicate that, although also based on our assumptions, there is less clarity of this funding.
- 5.10 The confirmed settlement funding for 2013/14 will be announced in December 2012. Once known, the figures will be verified and all movements and implications will be reported as quickly as possible in the new calendar year.

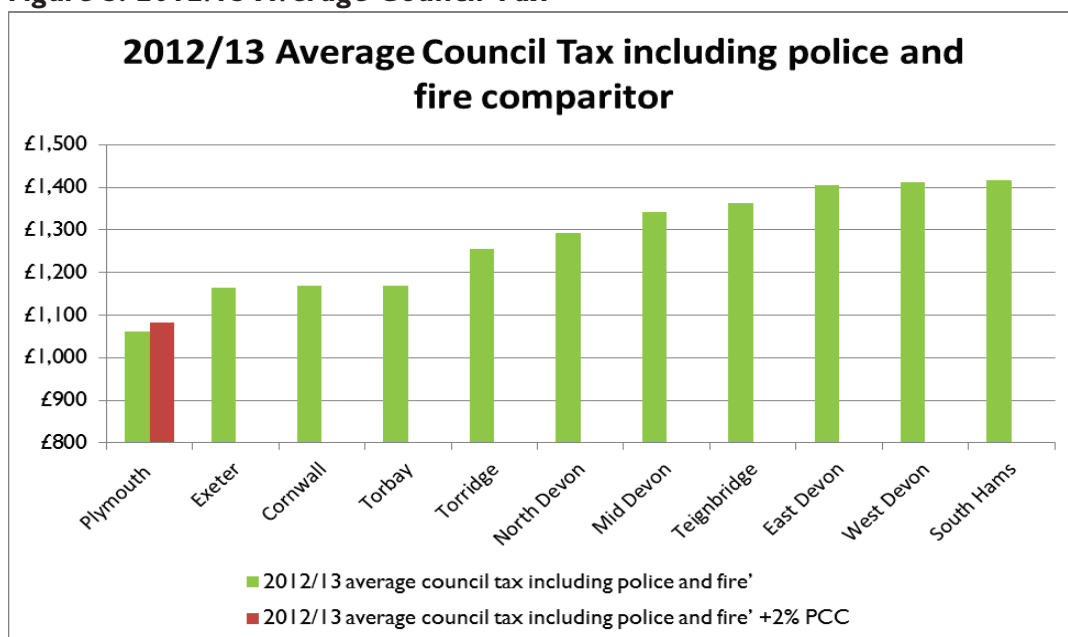
Figure 2: Revenue resource assumptions

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m
Total Resources available	203.8	198.3	192.4	184.6
Increase / (decrease) over previous year	(3.4%)	(2.7%)	(3.0%)	(4.1%)

Note: Council Tax level for '13/14 will be finalised at Full Council in February 2013.

- 5.11 The funding for 2015/16 reflects the loss of £2.4m, being the 2011/12 Council Tax Freeze Grant, which has been confirmed for four years only.
- 5.12 Every 1% Council Tax rise generally adds revenue of approx. £1m, and a 1% drop in Formula Grant represents a reduction of £1m. For 2013/14, we are forecasting a net reduction of £5.5m compared to our 2012/13 budget base.
- 5.13 Our last Council Tax increase was 2.89% in 2010/11 and was followed by a freeze in 2011/12 and a further freeze again in 2012/13. For purposes of comparison, a similar 2010/11 Council Tax increase for 2011/12 and 2012/13 would have generated an extra £5.7m over the two years.
- 5.14 This compares to the 2011/12 compensation of £2.4m which ends in 2014/15, and the 2012/13 compensation of £2.4m which was for the one year only. Both leave future holes in the base funding.
- 5.15 2013/14 resource assumptions do model a modest increase in Council Tax. However, if accepting this increase, the Authority will still retain the lowest average Council Tax in the region.
- 5.16 For purposes of comparison, the current year's average Council Tax for Plymouth, including the police and fire precepts, is £1,061.90. The nearest authority to this is Exeter City Council with an average Council Tax of £1,165.02. The South Hams equivalent is £1,416.18.
- 5.17 The Government has capped any increase to the 2013/14 council tax at 2%, prior to triggering a local referendum.
- 5.18 If Plymouth City Council, together with the police and fire services, were to increase the charge by this 2% "maximum" the average would increase to £1,083.13.
- 5.19 This remains lower than our nearest comparator regardless of whatever their strategy for next year is.

Figure 3: 2012/13 Average Council Tax



5.20 For residents living in a Band A property, a 2% rise in their Council Tax equates to an extra 38p per week. This assumes the Police and Fire also increase their precept by 2%. They are yet to announce their intentions.

6. Expenditure Assumptions:

6.1 In response to the first year of significant reduction in funding, the approach to the budget setting process was changed for 2011/12.

6.2 A deliberate strategy was taken to reduce back office costs and protect, where possible, front line service delivery. Percentage reductions were applied on a priority basis ranging from year one 1.5% for areas such as Adult Social Care and Children’s Services to 40% in year three for Business Support & Corporate Support areas.

6.3 The Final Settlement, confirmed late in December 2010, required us to apply additional target savings amounting to cumulative reductions of:

- 2011/12 £13.3m
- 2012/13 increasing to £20.4m
- 2013/14 increasing to £30.7m

6.4 Following robust challenge, we have refined the achievability of increased 2013/14 full year savings from delivery plans enacted during 2012/13. Such savings amount to £6m which has been reflected in departmental target budgets as follows:

People Directorate	£2.720m
Place Directorate	£0.570m
Corporate Services Directorate	£0.780m
Chief Executive’s Office	£0.210m
Cross-cutting items	£1.720m

6.5 The 2012/13 budget was predominantly a no-growth, non-inflated budget, with no additional funding allocations for general inflation, or recognition of service demand increases around demographics. In setting the 2013/14 budget, we have acknowledged that this no-growth approach cannot be sustained.

6.6 We have therefore challenged all areas of the council, under the headings of legislation and economic pressures; service demand and specific inflation, and identified the following additional spending requirements of £8.9m. More details are contained in Appendix F.

Figure 4: Additional spending requirements 2013/14

ITEM	2013/14 £m
Estimated reduction in Council Tax collection	1.0
Reduced income streams across the council	0.3
Reduced funding from schools due to new legislation	0.2
Waste disposal costs	1.0
Additional spending requirements – Legislation and Economy	2.5
Adult Social Care – Demographics / contracts	1.5
Unsupported borrowing costs to fund Transformation Programme	0.6
Children in Care – increase in complexity of need of children in care	0.7
Contingency Items	0.7
Additional spending requirements – Service Demand	3.5
Utilities including street lighting energy costs	0.5
Adult Social Care – 2% inflation	1.4
Children’s Services placements – 2% inflation	0.2
Staff salaries – 1.5% inflation (in addition to existing provision)	0.8
Additional spending requirements – Specific Inflation	2.9
Total Additional spending requirements	8.9

6.7 Putting together the various elements of the resource and expenditure assumptions, we are left with an estimated funding gap in 2013/14 of £10.8m, as set out in figure 5 below.

Figure 5: Additional spending requirements 2013/14

	A	B	B – A
ITEM	Spend	Income	Funding Gap
	£m	£m	
Assumed resource funding		198.3	
2012/13 base budget	203.8		
Additional spending requirements	8.9		
Loss of 2012/13 one-off Council Tax Freeze Grant	2.4		
Less 2013/14 step up Delivery Plans	(6.0)		
TOTAL SPEND / INCOME & GAP	209.1	198.3	10.8

6.8 A more detailed analysis of budgets at Service level within each department is shown as Appendix A to this report. By top level Directorate, the spending assumptions are as follows:

Figure 6: PCC indicative spend requirements 2013/14

DIRECTORATE	Base Budget	Additional Spend	Lost Grant	Step up Plans	Indicative spend
	£m	£m	£m	£m	£m
People	122.8	4.0	-	(2.7)	124.1
Place	42.4	1.3	-	(0.6)	43.1
Corporate Services	30.2	0.3	-	(0.8)	29.7
Chief Executive Office	1.9	0.0	-	(0.2)	1.7
Corporate Items	6.5	3.3	2.4	(1.7)	10.5
TOTAL	203.8	8.9	2.4	(6.0)	209.1

7. Departmental Prioritisation and Budget Delivery Plans

- 7.1 The Council has adopted a strategic approach to allocating its limited revenue and capital resources across departments based on clear prioritisation and a need to deliver against the City and Council's four Corporate Priorities.
- 7.2 Within this corporate framework, each department continues to focus on improving front line service delivery and drive efficiencies whilst tackling challenges and funding pressures through additional service demand. This section summarises the strategic direction that the Council has adopted and the Delivery Plans that it will put in place to deliver improved services within the available budget.
- 7.3 As part of the 2012/13 budget setting process, we were aware of the nature of the one-off Council Tax Freeze Grant of £2.4m. We made the decision not to allocate this funding to on-going pressures, but to offset what were seen as one-off pressures for 2012/13.
- 7.4 We allocated a total of £1.770m for 2012/13 only to the following areas:
- £0.250m to support the very ambitious savings target from procurement
 - £0.500m to the Accommodation Strategy in recognition of the delays associated with the future of the Civic building
 - £0.800m to support the continued provision of an ice rink during the transition year ahead of approving a private sector solution
 - £0.220m to smooth the timing of savings from the new leisure management contract.
- 7.5 For the 2013/14 budget, these allocations have been removed from the base budget figures. However, we are aware of further departmental pressures for 2013/14 and have therefore re-distributed the one-off allocations totalling £1.770m as follows:

- £0.750m to the Accommodation Strategy in recognition that we have experienced further delays associated with the future of the Civic building
- £1.000m to the Joint Commissioning & Adult Social Care department in recognition of the resource requirement during the transformation period as the service moves into offering Personal Budgets.

- 7.6 The Adult Social Care service is transforming in the way that it operates. Budget Delivery plans that have been set for the 2013/14 financial year amount to further reducing spend in the service by circa £4.5m. This, along with the increased savings target from prior year budget delivery plans represents a significant risk re achievability. To enable the service to address the underlying spending pressures, and to address the timing lag of the new transformational ways of working in the service becoming embedded, we are making a further allocation of £1m for 2013/14 into this service area. This allocation will be kept under regular review through monitoring.
- 7.7 In total for the 2013/14 Adult Social Care budget, we have allocated additional funding totalling £4.9m, for demographics & contracts, inflation plus one-off transformation period monies. Ahead of the delivery plan savings required in 2013/14, this brings the budget allocation to £71.5m, which is in line with the forecasted funding requirement for the current year.
- 7.8 Having calculated the 2013/14 funding shortfall, and the further anticipated funding gaps in the following two years 2014/15 & 2015/16, a target of 5% savings from each directorate was set which, from the 2012/13 base budget, equated to £10.5m for 2013/14.
- 7.9 Given the assumed continued reduction in grant funding, each Director was tasked to develop savings plans for the three year period 2013/14 to 2015/16 incorporating a further 5% of savings to be derived from cross-cutting plans. These were to be strategic and targeted at transformation changes to the way we work.
- 7.10 At the time of publishing these draft budget papers, the following directorate delivery plans have been developed for consultation:

Figure 7 – revenue savings target set by directorate

DIRECTORATE	5% annual target	2013/14 Plans £m	2014/15 Plans £m	2015/16 Plans £m
People	6.2	6.2	6.3	6.6
Place	2.1	1.1	1.5	1.5
Corporate Services	1.5	1.5	1.5	1.5
Chief Executive Office	0.1	0.1	0.1	0.1
Corporate Items	0.6	0.8	0.8	0.8
TOTAL	10.5	9.7	10.2	10.4

- 7.11 Less delivery plans have been accepted for the Place Directorate in comparison to the set 5% target, reflecting the priority of delivering Growth within the city and protecting front line services.
- 7.12 We will continue to work up a number of cross-cutting areas over the coming months. Where detailed plans and figures are available, these will feed into budget debates and scrutiny early in 2013. By their strategic nature, several of the cross cutting plans will deliver fewer savings in year one, but increase in future years.
- 7.13 At the time of writing this report, we have evaluated and costed cross-cutting delivery plans for Council Tax technical reforms and a review of insurance provision. This is estimated to deliver savings of £1.3m per annum from 2013/14. These items have been included within the 'Corporate Items' budget delivery plan.
- 7.14 Revenue Budget Delivery Plans that specify planned action to achieve the 2013/14 year reduction targets, together with the plans for 2014/15 and 2015/16 are detailed in **Appendix C**. Progress against these plans will be incorporated within regular monthly finance and quarterly performance and budget reporting.
- 7.15 Combining all of the component parts of the budget process, the indicative target budget by department is as follows:

Figure 8 – indicative target budget by department

DIRECTORATE	Base Budget	Spend pressures	Net change in one off allocation	Revised Base Budget	Total 13/14 Delivery plans	Indicative target budget 13/14
	£m	£m	£m	£m	£m	£m
People	122.8	4.0	1.0	127.8	(8.9)	118.9
Place	42.4	1.3	0.2	43.9	(1.7)	42.2
Corporate Services	30.2	0.3	(0.2)	30.3	(2.3)	28.0
Chief Executive Office	1.9	0.0	0.0	1.9	(0.3)	1.6
Corporate Items	6.5	5.7	0.0	12.2	(3.8)	8.4
TOTAL	203.8	11.3	1.0	216.1	(17.0)	199.1

A more detailed analysis of the resource allocations, by service area, is detailed as **Appendix A**

- 7.16 From figure 8, the total Delivery Plans totalling £17m for 2013/14 are the “Step Up Plans” £6m plus 13/14 Delivery plans £11m.
- 7.17 It must be emphasised that these savings are not all aimed at frontline services. Although between them the People Directorate at £8.9m and the Place Directorate

at £1.7m contribute £10.7m this represents circa 6% of their budgets. The Chief Executive's Office, the Corporate Services Directorate plus Corporate Items contribute the remaining £6.4m representing a 17% reduction.

- 7.18 Alongside the efficiencies from the Chief Executive's Office and Corporate Services Directorate, savings include seeking better returns on our investments under our treasury management processes, a full review of our insurance risks and premiums, and continuing to drive out savings from our on-going overhaul of our procurement process.
- 7.19 At the time of publishing this report our indicative budget of £199.1m exceeds the estimated resources available of £198.3m. Further work will be developed on the cross cutting areas in order to close this gap over the next couple of months.

8. Review of Reserves & Risk Management

- 8.1 In terms of Reserves, the council retains a prudent approach to risk management. Our core working balance, as at 31 March 2012, at £11.3m is 5.7% of our indicative net 2013/14 revenue budget £198.3m. Our plans are to retain this Working Balance level throughout 2013/14 (compliant with the objectives set within our MTFF).
- 8.2 In addition to the Working Balance, specific earmarked reserves are forecasted at £20m at the end of March 2013 and forecasted to reduce to £17.1m by 31 March 2014. The balances include, under IFRS requirements, Schools Balance (currently £4.5m) and will include unused year end Grants carry forwards once quantified.
- 8.3 Specific reserves are set to cover known or estimated future costs for specific activities and / or liabilities.
- 8.4 A detailed analysis of the robustness of the budget, considering relevant risks, is detailed in **Appendix B** along with an analysis of actual, and planned, movement across all key Council Reserves.
- 8.5 As part of our budgets, we have historically carried a contingency of £0.5m as part of our Corporate Items. This was set aside to cover any unforeseen budget pressures. For this budget setting process, we have reviewed the effectiveness of a stand-alone contingency.
- 8.6 As we are operating in a very unstable economic environment we need to enable a more substantial, yet flexible contingency arrangement. A number of the funded pressures of £8.9m, (section 6), are subject to fluctuation. As such, we propose incorporating the following items into a 'pool' of corporate contingency which will be subject to close scrutiny and review:

• Impact of estimated reduction in Council Tax Collection	£1.0m
• Contingency items	£0.7m
• Staff salaries inflation	£0.8m
Total	£2.5m

- 8.7 As and when the “contingency” pressures become evident during the year, directors will need to present evidence to gain approval to draw down from this budget. **Appendix B** describes a number of risks associated with the 2013/14 budget which might result in a future call against our contingency arrangements.

9 ICT Strategy & Investment

- 9.1 Plymouth City Council’s ICT service benchmarks nationally as a cost effective service. As ICT strives to reduce the number of applications used by the Council and seeks to consolidate around enterprise wide applications, savings proposed, within the 2013/14 budget, will require the full cooperation of all departments. We will be seeking to develop the shared services offering currently working under the name of DELT Services.
- 9.2 Investment in ICT is fundamental to the successful transformation of the council. Having one consistent, joined up, reliable source of information on the customer, enabling flexible working across all of our buildings, increasing the use of e-learning facilities, and implementing a new greater functionality interactive website all form part of the overall ICT strategy moving forward.
- 9.3 However, investment, both in terms of finance and capacity, needs to be prioritised to ensure that smooth implementation is achieved in the areas of greatest need. To date, the elements of the ICT strategy that have been approved and are actively progressing relate to the Accommodation Strategy, Microsoft AX, a new primary data centre is nearing completion and CareFirst. Further ICT ‘invest to save’ proposals will be developed and presented for approval over the coming months.
- 9.4 The new corporate ICT architecture continues to be rolled out with over half the staff now using the new way of working and the new technology. It is vital we complete the roll out as soon as practical so that we can decommission some of the duplicated systems such as telephony.
- 9.5 The development of the shared services business case is continuing with neighbouring local authorities. We are also seeking to join up and deliver services to some of the various NHS health organisations across Devon.
- 9.6 A transformational development programme of £4.5m has been agreed in order to support customer service transformation and channel shift. This will radically move the council towards a greater level of customer self-service.

The specific purpose of this investment is to:

- Reduce the overall costs of the Council through the consolidation of ICT infrastructure and the simplification of systems, additionally making better use through the extension of existing standard systems
- Improve accessibility to services and the speed of service delivery including 24 hour access to more services as set out in the administration’s commitments through the Corporate Plan
- Provide a platform for more cost-effective services across all Council departments and improve the accuracy and timeliness of performance management information.

10. Human Resources and Workforce

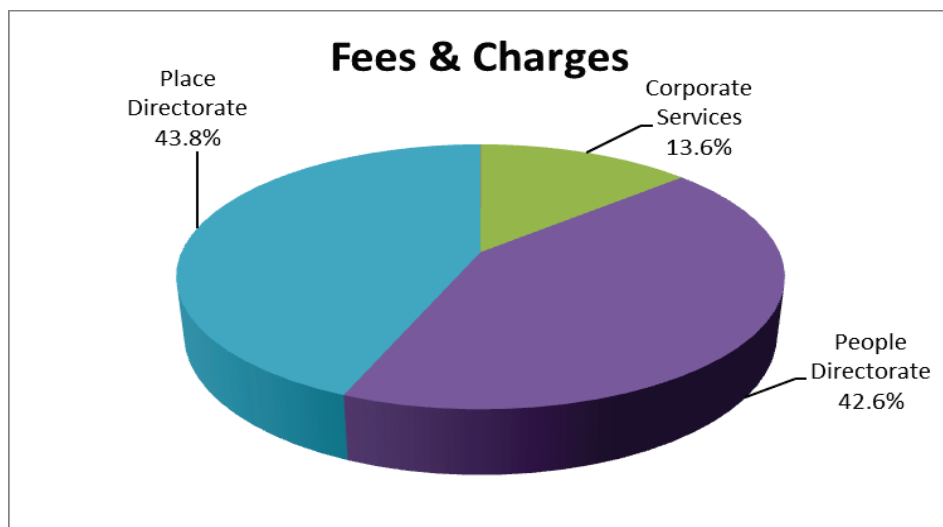
- 10.1 The Council directly employs approximately 3,400 staff (3,239 FTE) and a further 2,700 staff within maintained schools. The impacts of the Council's budget proposals affect only those employed directly as schools have delegated budgets for staffing.
- 10.2 The situation with schools will change in April 2013, when the Direct Support Grant (DSG) will be passed directly to schools. We are still assessing the corporate impact that this will have on Council costs and services.
- 10.3 In April 2013, approximately 25 Public Health staff will transfer to the Council from the NHS. We are still working on the detail of this transfer and its impact on the shape of our current structures and workforce.
- 10.4 Our total wage bill (excluding on-costs such as pension contributions) is around £81million. Each year the Council's budget includes an assumed turnover of staff thereby salary budgets are traditionally set at 97% of full year establishment.
- 10.5 After three years of a 'pay freeze', it is anticipated that there will be a nationally agreed Pay Award for staff in 2013 /14. While discussions have only just started, it would be prudent to budget for a modest pay increase across the workforce. A 1% increase would cost PCC approximately £0.810m (£1m including on-costs). We are modeling on a 1.5% increase.
- 10.6 We aim to reduce the direct and in-direct costs of the workforce through:
- Natural wastage / turnover
 - Use of temporary contracts
 - Recruitment controls and improving redeployment opportunities
 - Negotiated workforce reductions
 - Modernisation and workforce re-modelling, particularly management delayering
 - 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 via our Voluntary Release Scheme
 - Simplifying and harmonising staff terms and conditions
- 10.7 A step up from 2012/13 budget delivery plans requires us to deliver an extra £0.570m through further management delayering. The focus for 2013/14 will be management delayering to make management structures more efficient and fit for purpose.
- 10.8 Revised Terms & Conditions were agreed in 2011 continue to achieve significant workforce savings. Further discussions on terms and conditions have just started with the trade unions. The aim of these discussions is to further harmonise, ensure consistency and streamline policies, procedures and pay models.
- 10.9 The Budget Delivery Plans will inevitably result in a reduction in the overall workforce. These numbers will be quantified through developing detailed implementation plans and commencing consultation with trade unions where appropriate. In overview terms, it is estimated that circa 100 FTE posts will be reduced with a further circa 200 FTE posts being considered through alternative service delivery mechanisms (e.g. shared services, social enterprises)

- 10.10 We have just re-launched our Voluntary Release Scheme, which allows staff to leave the Council by mutual agreement in return for a defined compensatory payment. The payment staff would receive is the same as if they were made redundant. However, the advantage of this scheme is that staff will leave quicker than if we followed a full redundancy process, meaning that salary savings can be achieved before 1 April 2013.
- 10.11 2011/12 saw the introduction of a new management development programme to invest in management and supervisor levels, as well as identify managers of the future to retain our talent. The Council's development programme is being targeted at change management, behavioural competencies, talent management, performance and modern working practices and basic skills. We continue to invest in the development and expansion of the Council's support for apprenticeships following a successful launch in 2010/11 and further work with the University of Plymouth to provide internships, work placements and graduate roles for students will be undertaken.
- 10.12 With reference to the new pension auto-enrolment requirements Plymouth City Council has been allocated a 'staging date' of April 2013. If all employees who are auto-enrolled choose to remain in the scheme, there would be significant budget implications. If, based on a 10% increase employer contributions, it would rise by approximately £200,000, which would have to be considered against contingency funding.

11. Fees and Charges

- 11.1 Councils have powers to charge for a wide range of services. Many of these powers derive from legislation that applies to specific service areas as a result of the Council undertaking a statutory duty.
- 11.2 The local Government Act 2003, allows Council's to charge for non-statutory or discretionary services, and this has been further enforced since the localism agenda was introduced more recently.
- 11.3 Historically, the Council has reviewed fees and charges income in line with inflation applying a standard "incremental" approach to increases.
- 11.4 Criticism for this approach is that whilst this it is considered a simple and quick method of implementation, it does not always fall in line with the corporate priorities for the authority or consider its key strategies.
- 11.5 We are working on a consolidated approach to the Statutory and discretionary fees and charges which we can levy. Given the reductions we are facing in our central government funding, we have to take a more strategic approach to income generation.
- 11.6 As part of our review, we will also look at our policy for concessions, to ensure we are consistent in our approach.

- 11.7 Fees, charges, licenses and rents, will account for around 8% of the Council's income in 2013/14. Total Fee income is budgeted to achieve £28m each year. The pie chart below shows income from fees and charges by Service:



- 11.8 As part of this budget report, increases to fees and charges are covered in each Directorate's delivery plans. For example, within the Place Directorate we set out our plans to increase planning fee income plus we set out our plans to review our car parking charges.

- 11.9 More details will be published within the final budget papers for Full Council February 2013.

12. Capital Resources and Prioritisation

- 12.1 Our financial strategy for capital is aligned with our Medium Term Financial Forecast for Revenue and covers the current year plus three future years, making a four year Programme.

- 12.2 We maintain the principle that capital schemes are only approved into the programme where specific funding has been clearly identified and supported by business cases. Thereby, the capital investment programme, at any set point in time, will evidence 100% funding allocation against approved schemes. The Capital Delivery Board reviews all new proposed projects and ensures Capital Investment is prioritised to maximise outcomes against the council's Priorities.

- 12.3 As a consequence of the CSR 2010, Supported Borrowing for Local Authorities was withdrawn on any future funding requirements which added additional pressure to our revenue requirements. It also explains why the funding for the programme now only shows £0.107m of supported borrowing and this will reduce to zero in 2013/14.

- 12.4 The Council continues to seek opportunities for specific grant funding for capital projects as they arise. However, since the autumn 2010 settlement, capital grant allocations for the block areas of Transport and Schools have remained at much lower levels (circa at least 15%), than the initial 2010/11 allocations.

- 12.5 This has been made more difficult for our medium term planning by the fact that future year allocations for schools have not been confirmed ahead of when major

projects are being planned and commissioned. Transport capital allocations are confirmed for 2013/14 and 2014/15, however the school block allocation is yet to be confirmed.

- 12.6 The council continues to challenge the affordability of its four year Capital Programme for the period 2012/13 to 2015/16. There remains some volatility around future capital grant funding and income generation through capital receipts. The four year programme shown in figure 9 below includes new projects to be approved by Full Council in December 2012, and also further monitoring re-profiling. The programme is based on known projects and funding streams. Officers will remain proactive at optimising external grant funding wherever possible in order to continue to deliver significant, ambitious capital investment in the city. The indicative programme for 2012/13 onwards will be updated as further details of funding are made available.

Figure 9: Four year Departmental Capital Programme

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Total £m
People	35.666	30.343	8.861	1.369	76.239
Place	14.416	15.891	8.344	4.929	43.580
Corporate Services	7.308	2.966	1.427	0.485	12.186
Total	57.390	49.200	18.632	6.783	132.005

Expenditure will be funded by:

Funding Source	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Total £m
Capital Receipts	7.645	6.480	1.500	0.00	15.625
Unsupported Borrowing	6.898	6.708	2.310	0.485	16.401
Supported Borrowing	0.107	0.00	0.00	0.00	0.107
Grants & Contributions	38.404	34.409	13.735	6.298	92.846
SI06 / Tariff	1.169	0.173	0.750	0.00	2.092
Revenue & Funds	3.167	1.430	0.337	0.00	4.934
Total	57.390	49.200	18.632	6.783	132.005

- 12.7 We remain committed to a significant capital investment programme despite the current economic climate. The Council, engaging with partners in major regeneration of the City, will not only contribute towards delivering improvement priorities, but will also help to sustain much needed work opportunities in the local area (for example, the construction industry). Significant schemes include:
- Improving transportation Plymouth (Local Transport Plan)
 - Theatre Royal Improvements
 - Estover Community College
 - Marine Academy Plymouth
 - All Saints Academy Plymouth
 - A University Technical College (UTC)
- 12.8 We will continue to regularly review the assets that we own to ensure that they are fit for purpose and optimise the use of capital receipts, where deemed beneficial, in order to support our overall capital investment programme. However, our ability to

generate capital receipts has been severely impacted in the last couple of years due to significantly falling land and property prices.

- 12.9 In reviewing the capital programme as part of 2013/14 budget setting we have incorporated a risk based approach to the achievement of capital receipt funding over the four year period. This funding is based on a schedule of specific assets, with current estimated valuations and proposed timing for disposals.
- 12.10 The council has built in the requirement for additional borrowing to cover the potential shortfall in capital receipt income. The option of repaying this borrowing in future years to coincide with potential capital receipt income will be kept under constant review, and no further projects will be funded from receipts until we have a balanced position. Any variations to the forecasted position will be reported to Corporate Management Team and Cabinet at the earliest possible opportunity.

13. Value for Money & Efficiencies

- 13.1 The concept of Value for Money (VFM) and Efficiencies is now embedded into the working practices of all departments across the council.
- 13.2 The 2013/14 department budget delivery plans will continue to generate the efficiencies that are required to achieve our savings targets. Each department will again adopt a Budget Delivery Plan which will be supported by staff from the corporate centre and form part of regular monthly and quarterly performance and finance reporting.
- 13.3 The internal challenge and reporting of efficiencies has continued to improve substantially across the Council through departmental management team (DMT) meetings which focus on the implementation of budget delivery plans for each Directorate (all cashable efficiency savings are being reported against plans to achieve budget targets as well as general efficiencies to improve services to customers).
- 13.4 The Council continues its commitment to undertaking annual robust benchmarking against our council 'family group' and near neighbours as well as top performing councils.
- 13.5 The benchmarking information is used to inform Budget Delivery Plans to ensure that greater savings are driven out from areas of high spend where possible.

14 People Directorate

Departmental context

14.1 The People Directorate was established with effect from January 2012 and covers four customer facing departments, plus a Programmes Office:

- Joint Commissioning & Adult Social Care
- Children's Social Care
- Education, learning and Family Support
- Homes and Communities

All of these services face a range of challenges in the current economic situation and all face significant policy changes and demands.

Joint Commissioning & Adult Health and Social Care

14.2 The department is divided into 3 distinct areas:

- Strategic Commissioning and contracting of a wide range of universal services, including information, advice, advocacy, early intervention and prevention for people who use services and their carers, and for residential care and housing related support.
- Direct service provision for vulnerable people eligible for Council support.
- Assessment and Care Management including statutory functions carried out through assessment and support planning services for individuals

14.3 The national transformation programme for Adult Social Care (first published in 2007) set out the need to re-think the whole adult social care system (largely unchanged since its inception in 1948) and create a new system fit for the 21st century. Without radical change, the cost of social care could soak up every penny of a council's budget within 20 years. This is mainly due to the ageing population: people are living longer with disabilities or illness. For example, it is expected that by 2030 there will be a 40% increase in Plymouth residents over 65 with a limiting long term illness and a 60% increase in over 65s living with dementia.

14.4 Not surprisingly, it is predicted that, unless we are successful in transforming the health and social care system in the City spending on social care will pass 45% of the overall council budgets by 2019/2020. We are also facing challenges in terms of deprivation with Plymouth ranked 72nd (out of 326 districts in England) from the bottom for being most deprived. Although life expectancy is improving, the health of people living in Plymouth is generally worse than the average across England and there is considerable variation across the City.

14.5 Current pressures faced by Adult Social Care are estimated to be in £3.1m based on a planned budget of £67.9m for 2012/13. We have had considerable success in reducing spend year on year through our Strategic Transformation Programme which aims to:

- Provide clear information so more people can help themselves
- Tailor support to meet individuals' needs

- Spend every penny as efficiently as possible
 - Support residents to do all they can to support themselves, family and community and to make best use of opportunities
- 14.6 We have developed a new personalised operating system for adult social care with clients, their families and our staff. The new system was designed and tested by frontline workers in 2011 and proved that we can offer a tailored service that reduces costs to the Council and provides better outcomes for people.
- 14.7 In the new system:
- Universally available information and advice
 - People can talk immediately to a social worker
 - A same day, free of charge, time-limited home care reablement service
 - Assessments are carried out using mobile equipment making the process quicker and easier
 - People have greater choice and control over the type of support and how it is arranged
 - There is little or no waiting
- 14.8 During 2012 we have restructured and are now implementing the new way of working across the whole service. We have already reduced administration costs by £0.950m this year and expect further efficiencies.. Over the next 18 months we expect to see further reductions in cost as we embed the new way of working through:
- Transformation of rapid response crisis support and reablement (in partnership with the NHS) to significantly reduce or delay entry into long term care which will have a long term impact on reducing social and health care costs.
 - Introduction of a new telecare offer for the City providing low cost “gadgets” and a response service that will help people to stay living independently, help carers to continue in their caring role and reduce direct social care costs.
 - Reducing block contracts for traditional building based day care and implementing a new day opportunities framework which will offer around 300 different day time activities that people can choose to use through a personal budget and the new Direct Payment pre-paid card, which will provide greater choice and control for people and reduce costs to the Council.
 - Mainstreaming our needs based resource allocation system (RAS) and applying this to all new and legacy clients. This is a way of more fairly allocating resources based on needs and not on the costs or availability of services and encouraging individuals to take a bigger role in organising their own support.
 - Continuing to develop our operational managers to ensure they are able to support frontline workers in implementing the new system and in turn that they are able to work with people and their carers to help them to transition from the old to the new ways of working.

- 14.9 At a strategic level we are working with the newly appointed leaders of the local NHS to maximise the opportunity to integrate frontline services where it makes sense to do so and to ensure that, as a City, we properly invest Department of Health funding intended to support the transformation of social care to underpin local NHS plans to reduce hospital in-patient care and provide more health care at home.

Delivery plans 2013/14

- 14.10 The target in 2013/14 is a stretching challenge to Adult Social Care to reduce costs by £4.5m. Full details are shown in the appendix to this report.

**Children's Social Care
Education, Learning and Family Support**

- 14.11 The complexity of need in the City is rising. Data shows (IDACI) children experiencing vulnerability is set to increase by 6.5 % in the next four years. This is as a result of the increased birth rate however the rise in the most vulnerable children is greater than overall. This could result in demand for specialist and targeted services which could equate to an additional pressure of £6m on budgets by 2016. Welfare reform will clearly also have an impact.
- 14.12 The People Directorate has a clear strategy to deliver the city's pledges. This will meet the needs in families earlier and provide choice and improved outcomes for children, whilst reducing demand for specialist interventions later.
- 14.13 Bringing together delivery across Children's Social Care, Education Learner and Family Support and Homes and Communities alongside partners such as schools, health, police and community and voluntary sector will deliver re-designed early intervention and prevention services.
- 14.14 The Education and Skills Act 2011 sets out the Local Authority's duty to champion education excellence, vulnerable groups and parents and children's voices. These responsibilities continue to be delivered through the new landscape of partnership and co-operation. With the increasing diversification of the school delivery models new partnerships and co-operative approaches are being developed. Further integrated working models are being developed to continue the improvement of choice and control for children and parents where children have complex needs and disability. This is in preparation for the implementation of the SEN Green Paper.
- 14.15 Data is showing that the number of children in care is remaining steady. This demonstrates the impact of the last two years of re-design work which is making best use of our invest to save models through Early Intervention Grant. The numbers of CAFs being undertaken by the early intervention workforce has exceeded quarter one and two targets and are on track to deliver year end targets of 985. This activity demonstrates the Children's Trust workforce capacity to deliver early support.
- 14.16 The referrals to Social Care are still high and work is underway to increase the capacity to offer support to agencies and families prior to social care. This work is in partnership with schools and community and voluntary sector with increases in the targeted offer.

- 14.17 The Families with a Future programme is adding capacity to this delivery and will be addressing the specific needs of families where there is worklessness, absenteeism from school, crime and anti-social behaviour. Taking best practice from the Family Intervention Project and scaling up the offer through the Early Intervention and Prevention re-design will seek to achieve the government targets for the City. Alongside this a full review of parenting support and emotional well-being and mental health services will ensure there is a full range of accessible services.
- 14.18 The rising need and complexity in families with high harm related to alcohol and domestic abuse continues to be challenging. Workforce development and a continued focus on our collective “Duty to Co-operate” will be critical to future delivery.
- 14.19 Further challenges include the delivery of Raising the Participation Age duties. The number of young people in Education Employment and Training compares favourably, however, the most vulnerable young people are not sustaining placements in education, employment and training and this continues to be challenging. Good progress has been made to reduce risk taking behaviour, whilst teenage pregnancy rates have remained steady with local data showing a small reduction more needs to be done. Use of high harm substances has reduced however levels of cannabis with alcohol contributes to negative outcomes for young people. With the welfare reforms due to have a significant impact on young people’s housing, levels of crime, antisocial behaviour and substance misuse are likely to increase.

Delivery plans 2013/14

- 14.20 The combined Children’s 2013/14 of £1.460m illustrates how services work together to deliver changes and utilise resources. Full details are shown in the appendix to this report.

Homes and Communities

- 14.21 Homes and Communities as a newly created Department brings together a wide range of services of some complexity, brings new synergies and ways of working and new opportunities to do things in a smarter way to improve service provision for customers. Since forming on 1st March the six separate services that make up Homes and Communities have undergone a restructure consultation which we are now implementing around four main service areas, with a flatter management structure, and taking on additional responsibilities for care leavers support. This will realise management savings, while creating synergies of teams around issues to meet the aspirations of the new administration.
- 14.22 At the same time there are some risks:-
- 14.23 Changes to Welfare Reform includes being required to establish two new localised benefits schemes (to replace Council Tax Benefit and the Social Fund) by April 2013, with significantly less resources than the previous national schemes. In addition, cuts to national welfare benefits are estimated to amount to at least £13m per annum in Plymouth which is placing additional demands on services both in terms of increasing numbers of customers approaching front line services such as Housing Options and

debt and welfare benefit advice agencies, as well as increasing complexity of cases due to higher levels of vulnerability.

- 14.24 Policy changes from government in their thinking on localism and public services, communities and third sector organisations set out in the Localism Act and other legislation continue to affect how we deliver services, including how we work in partnership with agencies to tackle health and wellbeing, crime and housing.
- 14.25 Large scale regeneration projects in the city are on-going and this leads to increasing community churn, challenging cohesion, issues around housing capacity and the co-ordination of service provision within the city.
- 14.26 Homes and Communities has aligned services to try and meet the increasing demand head on and make sure the authority is able to robustly meet the needs of the population of Plymouth.
- 14.27 The new citywide Housing Plan sets out clear priorities to deliver against problems of increasing homelessness, lack of engagement within communities, poor and limited quality housing stock, and reduced public funding
- 14.28 The department is leading on Welfare Reform and cross-service work has been undertaken in preparation for the changes and includes identification of and contact with, vulnerable customers to offer advice and assistance; award of a new improved advice-giving contract including requirements to provide advice and support on welfare form; training for managers and 1,200 front line staff; awareness raising and liaison amongst partners; launch of a benefits take up campaign; consultation on and development of proposals for a local Council Tax Scheme and replacement for the Social Fund
- 14.29 Homes and Communities also leads the Council's response to the Positive for Youth strategy and Families with a Future work both linked to Early Intervention and Prevention work.

Programmes Office

- 14.30 Section 1 of the Plymouth Life Centre contract, i.e. the Plymouth Life Centre building itself, is complete and was opened in March 2012. Section 2, which includes the landscaping and reinstatement works in the park and completion of the highways works, is scheduled for completion in December. The operation of the Completed facility (along with the operation of Brickfields Sports Centre, Plympton Pool, Tinside Lido and Mount Wise Pools) was taken over by Sports & Leisure Management Limited (SLM).
- 14.31 SLM was awarded the 10 year contract through a competitive procurement process and it is remunerated by way of a monthly contract payment. This payment varies from year to year based on profiling presented through the tender process and increases by an inflationary mechanism (RPIx) annually.
- 14.32 The contract provides real savings against the cost of the service, as previously delivered through the authority, whilst delivering significant interventions to improve health and increase physical activity levels across the community.
- 14.33 A significant pressure (c. £1.67m annually) has been removed from the service budget in the form of the subsidy paid to support the operation of the Plymouth Pavilions. This service has been transferred to a private sector partner with no on-

going revenue support from the council. This has also removed significant maintenance liabilities from corporate landlord future budgets.

- 14.34 The contract will deliver a new international scale ice rink at Home Park and a remodelled and refurbished arena on the Pavilions site. This is an excellent example of the public sector working with the private sector to deliver services in an innovative and cost effective manner.

15. Place Directorate

Departmental context

15.1 The Place Directorate was established with effect from January 2012 and covers four departments:

- Economic Development
- Transport & Infrastructure
- Planning Services
- Environmental Services

As with all areas of the Council these services face a range of challenges in the current economic situation and all face significant policy changes and demands.

15.2 The key objective of the directorate is to support and enable the delivery of the growth and regeneration agenda across the city, using Council budgets, private sector support as well as income from assets eg Regional Development Agency (RDA) asset transfers, potential match funding and government funding streams which will help us to deliver the growth the City aspires to.

15.3 As the economy and economic growth remain sluggish it becomes more important than ever to invest in initiatives which protect or deliver new growth and helps shift the city's economy away from a public sector led and focuses on the opportunities in the city's private and social enterprise sectors.

The priorities for the Directorate during the next 12 months are the development of the City Deal, the delivery of the Administration's Election Pledges, the development of the Plymouth Plan, to maintain the support provided to the business premises and housing market, and provide focused support to drive forward key opportunities in the city centre and Derriford; work with the private sector on schemes such as Plymstock Quarry and Bickleigh Down development and set out priorities for funding support of major infrastructure.

15.4 The measures taken by the directorate in setting the budget for 2013/ 2014 and the following three year period remain on course. This is despite increasing challenges and pressures for each service as detailed below.

Planning Services

15.5 The Planning Services department is in the final stages of implementing a major restructure that realigns the staffing resources with key priorities across the city such as City Centre, Derriford, Sustainable Energy and to meet the new challenges brought about by changes to Planning legislation and the Council's own priority pledges. This will also enable staff to work in a flexible way so that they can be deployed more effectively against priorities.

15.6 The Community Infrastructure Levy (CIL) will replace the current planning obligations procedures and will help to streamline the current Section 106 agreement requirements. The introduction of CIL has major resourcing implications for future infrastructure planning and coordination of resources to support growth.

- 15.7 The fragile economy has necessitated a radical and innovative approach to overcome development viability through market recovery initiatives. Planning application and building regulation fee income is still vulnerable
- 15.8 Income generation within Planning Services has been benchmarked and shows that the range of extended services that are above the statutory minimum is wider than most comparable authorities. Planning's Building Control Team is also working in partnership with Cornwall Council to provide a wide range of chargeable Building Control services that share staff resources and expertise across the two Councils.
- 15.9 The potential for further increased income generation is assessed as limited, but further opportunities for income generation are being considered.

Economic Development

- 15.10 The Economic Development Department is now responsible for Museums, Arts and Culture, Events as well as the economic growth of the city with its challenging targets. Its priority projects for this year are the Plan for Jobs and City Deal as well as to ensure the Council receives maximum benefits from its land and property assets
- 15.11 At present the commercial estate is 95% let, which is an exceptionally high figure, given the size of the estate and the state of the economy, and recognising pressures which exist in the market place for cost efficient deals.
- 15.12 It is essential that the ED service retains capacity to deliver on the Council's growth agenda; unrealistic commercial income targets should not place service delivery at risk.
- 15.13 The Economic Development service is leading on a number of key initiatives that will be pivotal in ensuring that the Council's economic growth agenda is delivered including the Plan for Jobs, Derriford District Centre, City Centre re-development, Tamar Science Park & GAIN, inward investment, City of Culture, a new economic development trust for the North of the City, the 1000 club employment initiative, Bickleigh Down eco hub, City marketing and branding and the interface with the private sector through Destination Plymouth, Culture Board and the Growth Board.
- 15.14 The department is undertaking a series of strategic reviews to ensure that service delivery is aligned behind the Council's economic priorities. These include a review into Mount Edgecumbe, the Museums service and external income/sponsorship opportunities.
- 15.15 Destination Plymouth continues to drive the visitor economy forward with national recruitment for a new Chief Executive and will be seeking citywide sponsorship and commercialism to support the growth in the city's signature events and destination marketing.

Transport & Infrastructure

- 15.16 The key challenge for the service has to be the management of the c.£2bn of assets it is responsible for. The Highway Asset Management plan has identified significant investment required to maintain the network. The department is identifying through invest to save and risk management the appropriate response to the issues and challenges the network faces.
- 15.17 Another area of challenge is ensuring that income revenue through car parks is maintained. The car parks in the city have been upgraded and the income levels are good. The effective use of the Civil Enforcement team can ensure that the network has limited congestion and that the charging levels for the on and off street parking are at an appropriate level
- 15.18 The service is also responding to 'regional' connectivity issues to ensure we benefit from the likely decentralised budgets for major highway schemes as well as potential decentralised local train services. This may generate greater demands for revenue work in preparation as well as direct support of services.
- 15.19 The service will need to actively contribute to the newly created sub-regional transport board; as well as take forward development of outline business cases for future transport investment in support of delivery the City's major growth opportunities.
- 15.20 At the same time, there is a continued stream of work prioritising the need for the city to have better, quicker and more regular connections to London.
- 15.21 The Transport Capital Programme contains planned investment in small transport improvement schemes, maintenance or replacement of highway assets identified through the Highway Asset Management Plan, committed schemes being delivered through the Local Sustainable Transport Fund (LSTF) and schemes for improving transport secured through contributions from new development in the City.
- 15.22 The challenge has been that following that along with all authorities across the country, grant funding to the Council for small transport schemes was cut compared with the start of 2010/11 by 50% and will only rise to about 75% of the 2010/11 level by 2014/15. The Service has responded not only by raising the value for money but also securing match funding.
- 15.23 The amount of external funding secured for the 2012/13 transport capital programme is £1.15m and the LSTF will, in 2013/14, contribute £1.2m, representing about 22% of the overall Transport Capital Programme.
- 15.24 Strategic transport schemes, those being individual schemes costing over £3m, are schemes which support the Council's priority of delivering growth, providing the infrastructure along our major transport corridors to enable development to come forward and help create the conditions for investment in quality homes, employment and infrastructure. The revenue implications of developing these schemes to full business case for submission to funding bodies can be accommodated within existing Transport and Infrastructure revenue budgets and the Place Directorates consultancy budget

Environmental Services

- 15.25 Environmental Services is one of the most visible and valuable front line services with enormous challenges especially in the areas of waste disposal, waste collection and recycling. Managing public expectations of enhanced levels of service and a drive to increase recycling rates against a very tight budget is difficult.
- 15.26 While the amount of waste going to landfill per household is decreasing, an increasing population within Plymouth is resulting in increased waste tonnages overall. This, alongside landfill tax, which is increasing by £8 per tonne each year until 2014, is resulting in a significant annual increase in waste disposal costs of c£650k each year at a time when service budgets are reducing. The Council also faces fines of up to £150 per tonne if we landfill more biodegradable waste than our landfill allowance (LATS).
- 15.27 Recent months have also seen a significant reduction in the income obtained from the sale of recycling materials due to the current financial instability of markets commodity prices.
- 15.28 Environmental Services are rising to the challenges ahead by reviewing, benchmarking and prioritising future service provision and increasing income across a range of service areas where possible to provide services within current budget constraints.

16. Corporate Services Directorate

Departmental context

16.1 The Corporate Services Directorate was established with effect from January 2012 and covers four departments:

- Democracy & Governance
- Customer Services
- Human Resources & Organisational Development (HR & OD)
- Finance, Efficiencies, Technology and Assets (FETA)

16.2 The Department has again faced significant challenges to achieve the current year budget. We have significantly reduced our cost base whilst absorbing the additional demand of supporting the council in delivering change.

16.3 CIPFA benchmarking confirms that the majority of our support functions now compare favourably with other councils in terms of both cost and performance. Moving forward, we will continue to explore opportunities for further income generation and joint working with other public sector partners both within and outside of Plymouth.

Democracy & Governance

16.4 New developments in Democratic Support include supporting the new Health and well-being Board, Police and Crime Panel and Adult Health and Social Care Board.

16.5 The recently introduced web-casting trial of Council and Planning Committee meetings will continue throughout the next year with a review after six months. Webcasting will be expanded to include coverage of the budget scrutiny process and the Police and Crime Panel.

16.6 The Lord Mayor's staff have continued to deliver 'more with less' including its success with the National Armed Forces Day in June 2012 and homecoming parade for 29 Commando in July 2012. This experience will be used in working on the 100th anniversary of the outbreak of WWI in 2014 and the 70th anniversary of the end of the Battle of the Atlantic in 2013.

16.7 There is a continued increase in demand for legal services in a more litigious culture, in particular the increase in Judicial Review claims. The legal team working with client departments have shown success in defending such claims but at a financial cost to the Council. This may be ameliorated in the future by the recent Government announcement to restrict access to the Judicial Review procedure.

16.8 Pressure in the elections team has included the need to manage an additional election for the Police and Crime Commissioner. Whilst the Home Office have funded some additional expenditure, the staff time involved had to be absorbed.

- 16.9 A key major piece of work for Electoral Registration will be the introduction of individual electoral registration which is a huge change in the process of registration. It will require staff training and investment in the IT system to support the planning, testing and implementation by 2014. In the meantime, the electoral registration service continues to meet and exceed the Electoral Commission standards of performance.
- 16.10 Capital investment is required in the Registration Service Lockyer Street offices to replace the shelving for the registers. In addition work is required to bring the building to DDA compliance and replace the heating system.
- 16.11 Challenges and service pressures are continually arising from the implementation of the Localism Act 2011; this includes the Community Right to Challenge, the Assets of Community Value and governance changes. These new provisions are characterised by their publication with a matter of days' notice before implementation and the fact that they are ill-drafted and thought out. These new provisions are being implemented within available resources.

Customer Services

- 16.12 Nationally library footfall is reducing, however Authorities who can offer additional services (both Council and partner organisations) through these community hubs can see this trend reversed and present a more holistic service in the communities they serve. The work taking place within libraries under the Health Project is already seeing an upturn in visitors.
- 16.13 The migration onto new technologies within Customer Services e.g. Dynamics has provided a baseline for the customer transformation programme that can be scaled up to expand and offer channel shift opportunities to deliver efficiency savings as customers self-serve.
- 16.14 The integration of the Library Service within Customer Services is enabling preparatory work to be undertaken to ensure service delivery within community hubs that can contribute to the channel shift savings contained within the Corporate Transformation Programme. This closer working relationship will ensure a consistent service delivery culture focused on quality interactions and maximisation of "touch points" with our customer base

HR & OD

- 16.15 The Finance, Efficiencies, Technology and Assets department is piloting the new transformation methodology to drive out more efficiencies and streamline their structures. This includes management delayering. This will commence in late November '12. In September 2012, City Council approved the allocation of capital funds to support the investment in ICT and customer-facing services. The transformation will focus on the modernisation of services and an efficiency agenda to move to the most effective ways of working. Every department of the Council will undergo a Fundamental Service review (FSR) with the first four departments currently starting this process. The full year revenue savings are estimated as £3million from year two of the programme.

16.16 Work continues on the HR & OD transformation project that will deliver significant efficiencies across the department and the wider Council. This project includes replacing the current payroll system, better employee data management and reporting, streamlining HR processes and moving them online, and moving to a unified Microsoft platform (Dynamics AX). Financial savings from this project are expected to be accrued from 2013/14 onwards.

Finance, Efficiencies, Technology and Assets (FETA)

16.17 Increasing demands have been placed on the finance service to keep up to speed and model the implications of numerous changes to government guidelines and policies. The nature of finance has fundamentally changed from traditional based monitoring to more proactive support to, and enabling of, innovative service based projects with multiple funding streams.

16.18 Moving forward, we will review the functionality of the client finance service to ensure that it correlates with the changes made within the Adult Social Care service that it supports.

16.19 The Revenues and Benefits service continues to embrace radical change. Having implemented a new structure in November 2012, the service is now delivering tangible performance improvements at significantly less cost.

16.20 Welfare reform changes continue to evolve. We have developed a local Council Tax Support scheme that will be implemented in April 2013 that addresses the difficult challenge of an estimated £2.6m shortfall in funding. Council Tax technical reforms, changes in the Council Tax base and a fundamental review of the local Business Rate system will place further strain on the service as will administering the Council's Social Fund (transferring from DWP responsibility)

16.21 We will continue to improve our management of and pursuit of housing benefit overpayments and aim to deliver tangible financial savings in this area in 2013/14

16.22 ICT was integrated into FETA from February 2012. The service has sharpened its customer and strategic focus and continues to evolve its operational delivery in preparation for shared service delivery.

16.23 The key challenge faced by ICT is to support the overall Council change programme, with existing capacity stretched to the limit in delivering a number of key high profile projects. We continue to engage and manage private sector contractors and agency staff to enhance skill sets and provide additional capacity although such resources are scarce due to market competition.

16.24 The management of the Corporate Property service will be reviewed to reflect changes of responsibility to the Place Directorate and a fall in demand for facilities management from Schools. The Corporate Landlord initiative will continue to improve our management of the corporate estate with better prioritisation of repairs and maintenance and more robust health and safety arrangements.

16.25 Strategic Procurement continues to work in partnership with the Federation of Small Businesses, Chamber of Commerce and other Plymouth public sector stakeholders, to improve opportunities to businesses across the city. A ten point charter in support of local trade has been developed and will be formally adopted by a number

of partners across Plymouth within the next month. This builds upon a procurement awareness event was hosted by Plymouth in October 2012 that attracted representation of over local 400 businesses.

- 16.26 Delivery plan targets for procurement remain challenging. We are on course to deliver £1m efficiencies in 2012/13 through smarter purchasing from using the centralised buying system and renegotiating strategic contracts. Moving forward, several areas of category management will be introduced such as the procurement of emergency repairs, energy purchasing and facilities management to contribute to the £1.1m step up in savings required for 2013/14.
- 16.27 We continue to challenge down the cost of external and internal audit, ensuring that these contracts provide adequate assurance to management whilst delivering their statutory responsibility.
- 16.28 The FETA service as a whole is engaging in a fundamental review of its services to customers and efficiency of processes. Challenging and rationalising our existing management arrangements, standardising systems and exploring further opportunities for joint / shared working will deliver significant savings in 2013/14 and beyond.

17. Chief Executive's Office

Departmental Context

The department is at the heart of implementing changes to local government and the Council's co-operative agenda, which involves greater engagement with residents and partners.

- 17.1 The results of the Listening Plymouth survey have highlighted the need for a continued emphasis on involving communities in decision making about their localities and this is a priority for the service.
- 17.2 The performance of local authorities is now being monitored and assessed in new ways, with less Government focus on inspections and prescriptive partnership approaches. The service is developing new approaches to ensure the Council maintains and develops strong performance management and monitors the delivery of its priorities.
- 17.3 The Communications Service needs to be at the heart of developing the co-operative council approach and communicating effectively with Plymouth residents and partners.
- 17.4 As the Government makes huge changes to areas such as welfare reform, it is vital that the Council communicates effectively with residents about how these changes affect them.
- 17.5 The communications service has been helping drive change throughout the organisation, including the introduction of a stronger and simpler visual identity and the standardisation of publications and document templates to reduce spending

across the Council. This has included reducing the number of printed publications produced by departments and ensuring information is available online and sent out electronically through email marketing.

- 17.6 The Communications Service is developing the Council's website to put greater emphasis on online transactions and is starting to use social media more effectively to communicate directly with Plymouth residents and partners.
- 17.7 This work to help Council departments communicate more effectively and efficiently needs to be further developed. The service has recently undergone an external peer review, which has emphasised the need to rationalise all communications activities across the Council.

18. Equality Impact Assessments (EIA's)

- 18.1 We have taken steps to ensure our budget plans are as fair as possible. To help achieve this, as in previous years, we have completed Equality Impact Assessments (EIA's) on the budget delivery plans. In line with updated legislation in the form of the Public Sector Equality Duty we have refined and simplified the EIA format and updated it to reflect our local priorities.
- 18.2 The EIA's build on those published in December 2011. They cover the nine 'protected characteristics' within the Equality Act as well our local priority to narrow the gap in equality, especially in relation to health, and improve community cohesion.
- 18.3 The Equality and Human Right Commission issue guidelines on meeting the Public Sector Equality Duty in policy and decision-making it is clear that to comply, public authorities need to show due regard to the aims of Public Sector Equality Duty when making decisions and setting policies. The guidance indicate that the equality duty does "not prevent you from making cuts, but provide you with a way of developing proposals which consider the needs of all members of your community". Further guidance also highlights that an EIA should ensure that decisions impact in a fair way and that where there is evidence that particular groups will be negatively affected by a decision, action should be taken to address this. EIA analysis should show that decisions are evidence based, transparent and that actions taken will be monitored and reviewed where appropriate.
- 18.4 Last year, in addition to the five departmental wide budget equality impact assessments we also completed specific EIA's at the implementation stage of key decisions if relevant. Where the EIA's have shown mitigation for 'differential impact' is required we have agreed specific actions. We will do the same this year. It is to be noted that given the new structures put in place this year we have undertaken an EIA for each of the three directorates plus the Executive Office.
- 18.5 Differential impact means that the decision might unfairly have more affect on one protected characteristic group or local priority action than another. Where this is a possibility that this could be the case action to mitigate is included in the EIA. A summary of key considerations are highlighted in the directorate and Chief Executive EIAs below.
- 18.6 It is to be noted that in relation to our commitment and duty to foster good relations between communities that across all directorate EIA's the changes to

services could mean that communities and protected characteristic groups might believe that they are more impacted than others which could impact detrimentally on community relations and cohesion. This will require monitoring and an emphasis on communication and engagement to provide context and detail about the service changes and what measures have been taken to ensure we have not discriminated to counter any misinformation or confusion.

- 18.7 Where there are redundancies, we will ensure that staff are not unfairly selected for redundancy e.g. on the basis of them having a particular protected characteristic within the Equality Act 2010. We will also seek to avoid any indirect impact on staff within these groups that we cannot objectively justify. Where changes lead to commissioning services in different ways, we will use our strategic procurement procedures, which include specific reference to equality, to ensure we meet equality requirements.

Chief Executive's Office

- 18.8 There is minimal potential for differential impact in relation to the changes put forward in the budget delivery plans for the Chief Executive's office. The proposal put forward for challenging the demand for Printing, Publicity and Advertising could have an impact for those whose first language is not spoken English, older people and those with disabilities who require information in an accessible format. Therefore we will continue to ensure that promotional material and information about services and where to access them is available in a range of formats and mediums. Where we review our corporate subscriptions we will identify those that make a positive contribution to the Public Sector Equality Duty to promote equality.

Place

- 18.9 We have identified that changes to public transport, accessible transport services and car parking charges have the potential to impact on people with disabilities, older and younger people who do not own their own cars as well as women who use public transport more than men or those on a limited income. Centralising our services to a single point of contact could have an adverse impact on older people or people with certain types of disability and people with English as a second language. Furthermore changing the location of the Tourist Information Centre will need to ensure accessibility for those with a disability and any changes to the cemetery and crematoria services and associated charges and fees could impact on those that require specialist services e.g. Muslim and Chinese Communities. To mitigate the impact of these changes bespoke EIAs will be conducted to inform the changes to the way these services will be delivered.
- 18.10 As we implement the Accommodation Strategy we will continue to take into consideration the needs of people with disabilities, particularly those members of staff with mobility impairment and with caring responsibilities. Changes to allotment fees and grass cutting could impact on those who feel vulnerable to areas that become overgrown or able to access and use allotments particularly affecting those with mobility issues or on a low income. Reviewing these procedures will be undertaken on a case by case basis taking into consideration access requirements and particular needs.

Corporate Services

- 18.11 At this stage, the delivery plans relating to Libraries do not change either the number of Libraries or opening hours. The modernisation of our library services could involve changes to staffing, opening times, building programmes and the book fund. We will therefore ensure we take measures to counter possible impacts to people that could be affected such as those with disabilities or those without ready access to the internet. A specific EIA will be completed and groups such as older people, BME communities and those that are visually impaired, young people and those on low incomes will be protected. Furthermore the focus towards libraries acting as Community Hubs will provide an opportunity to counter the adverse impacts through more localised provision and new training opportunities for staff to provide services linked to adult literacy provision, E learning and a growing demand for E books.
- 18.12 The review of procurement and commercial charging could impact on gender, race and disability. For example Guildhall space is booked by faith and belief groups and BME groups for events. We will therefore make sure discounted rates remain in place for our diverse communities and availability is balanced between income generating usage such as weddings through clear procedures in the bookings policy.
- 18.13 The national Council Tax Benefit scheme comes to an end 1st April 2013 to be replaced by a locally determined system of Council Tax Support. It is recognised that reducing the level of support will leave some households in significant financial difficulty. We have already taken measures to implement a local scheme with a Hardship Fund to be made available to support taxpayers facing exceptional hardship. The outcome of a consultation will be fed into a bespoke EIA on this process.
- 18.14 Action may be required in relation to Changes to the way Housing Benefit Overpayment recovery and debt collection is managed as well as ending the Employee Assistance programme all of which could have the potential for adverse equality impacts. As such specific EIAs will be conducted and actions to mitigate against any unintended differential impacts

People

- 18.15 There is the potential for both positive and negative impacts across a range of protected characteristics for services incorporated within the People directorate. Our plans for Joint Commissioning and Adult Social Care service have the potential to impact on older people, those with a disability and impact on gender as the greater number of the service users are women. We will ensure that changes to the way community meals, domiciliary and respite and residential care services are provided will be carefully considered in new commissioning arrangements and service specifications. Specific service remodelling or decommissioning will be accompanied by an individual EIA so that any impact can be identified and mitigated against where feasible.
- 18.16 We anticipate that frontline services will be unaffected as individual care needs, identified through the care management process, will continue to be met in line with our statutory duties. However we will monitor services and individual packages to ensure there is no additional age or disability related impact and our assessed lack of impact can be identified in relation to faith, religion, belief and sexual orientation remains the same.

- 18.17 Within our Education and Family Learning Service the review our Children's Integrated Disability Service will be undertaken to ensure positive outcome for either carers or children with disabilities. The changes to the way school meals are managed will be assessed once the changes to the way the school meals budget is decided as this could have an impact on children and particularly children from families with a low income. We are mindful that plans to review the school settings team could impact on vulnerable groups such as asylum seekers and those where English is not a first language if services provided by Plymouth Adult and Community Learning and the Ethnic Minority Achievement Teams are impacted. Therefore any changes will be subject to careful consideration and actions that are identified through a specific EIA.
- 18.18 We will continue to prioritise those with greatest need and consider that plans to modernise the specialist school and short breaks facility provided by Downham House into a wrap around model will potentially have a positive impact for those with a disability and carers although. We will consult and consider best practice to inform any newly proposed delivery model.
- 18.19 We anticipate some changes, such as a review of the Personalisation Agenda for Children with a Disability and the transformation of Child and Adolescent Mental Health Service will provide opportunity to improve take up through improved promotion, targeting and needs assessment as well as the partnership working opportunities identified.
- 18.20 Similarly reviewing the management and delivery model of our Children's Centre's provides an opportunity to target provision towards our more vulnerable communities. Such a review would be informed by the needs identified in a specific EIA. Modernising the arrangement to the way the Employment Advice Service For Young People is delivered offers an opportunity for a targeted and contracted service directly with schools. We will ensure any transition is undertaken with the needs of the young people at the forefront of the service redesign with the completion of a specific EIA.
- 18.21 We anticipate that the Children's Social Care efficiency plans will have positive impacts for carers and vulnerable young people given the more localised and targeted provision. For example reducing out of city placements, transferring independent foster care into adoption or adult social care provision should have positive outcome for parents/cares and young people and the support packages will be monitored and reviewed to ensure there are no adverse equality impacts.
- 18.22 Our plans in relation to Leisure Management and Homes and Communities have the potential to impact on young children parents/carers, older people, people with disabilities and women. This is in relation to possible changes to the work programme of our Sports Development Team, schemes that might involve commissioning efficiencies and income generation and changes to the use of community assets. We have identified specific EIAs to mitigate against any adverse impacts and will monitor use of relevant services against the protected characteristics and if any groups are under-represented we will target information and encourage take up.

19 Budget Consultation and Public Scrutiny

- 19.1 The Council has continued to improve how it communicates with partners and the public in relation to its budget setting and spending plans. Throughout 2012/13 summary accounts have been made available within locations such as local libraries and Schools, articles published in the local newspaper and budget details issued in Plymouth People (the Council's newsletter) which is delivered to every household within the City.
- 19.2 The public consultation for the 2013/14 budget setting process took the form of a posted questionnaire. Working with professional partners, we randomly selected 8,000 households in the city and asked them to complete a straightforward set of questions to help inform our resource allocations.
- 19.3 The aim of this year's consultation was to determine the public's view on services that were important to them including spending priorities around health and community safety. We had a good response rate with more than 3,000 replies.
- 19.4 The Council continues to keep its partners fully informed of its corporate priorities and financial position through comprehensive quarterly performance and finance reports. As per previous years, presentations and discussions have been and will continue to be held with all key stakeholders such as political groups, Chamber of Commerce, local MPs, Unions and the LSP and Civil Society representatives, until the final budget is signed off at Full Council in February 2013.
- 19.5 Further analysis will be undertaken and submitted within the final report for Scrutiny Management Board in January; this will include an analysis of the comments provided by respondents as part of this consultation
- 19.6 The full results from the consultation and outputs from the stakeholder discussions will culminate in a thorough three day scrutiny of the corporate planning and budget documents along with those of our partners in January 2013 where the views of the public will be presented for the panel's consideration..
- 19.7 The recommended budget presented within this report is draft and subject to any necessary changes and amendments made through the consultation and scrutiny process (as approved through Cabinet and Full Council). It is also subject to any necessary changes as a result of the final settlement for Plymouth City Council that is expected to be announced late December 2012.
- 19.8 In order to scrutinise the budget an agreed set of evidence is to be heard by the Overview & Scrutiny Management Board (OSMB) on 9, 14 and 16 January 2013 (public meetings).
- 19.9 The OSMB will consider this as part of the scrutiny process and form a set of recommendations. These recommendations will be submitted to:
- Plymouth City Council Cabinet 12 February 2013
 - Full Council 25 February 2013

20. Adjustments

- 20.1 The overall revenue and capital budget allocations stated in this report are accurate based on the information known to us at the time of writing. However, there will be a number of adjustments that will be required within the overall revenue total.
- 20.2 The Corporate Items budget and individual departmental budgets will need to be updated and adjusted to account for:
- a) Virements undertaken during the budget setting process
 - b) Final allocations re Revenue Settlement;
- 20.3 Corporate adjustments will not materially affect the departmental revenue reduction targets or corresponding budget delivery plans as detailed within this report.

21. Summary

- 21.1 2011/12 was the first full year of significant public sector funding reductions under the 2010 Comprehensive Spending Review. 2012/13 also saw significant funding reductions.
- 21.2 This budget has also been set under very challenging conditions, building on the unprecedented income reductions. The Government continues to initiate significant policy changes with the full impact on the Council still needing to be understood.
- 21.3 Central Government is continuing to withdraw financial support for essential frontline public services in Plymouth.
- 21.4 Before we understand the full impact of the Chancellor's Autumn Statement, Plymouth City Council is budgeting to reduce spending by a further £17.8m in 2013/14, on top of the £20m already taken out in the past two years, bringing the reductions to a cumulative £37.8m over three years.
- 21.5 This report sets out our resource assumptions and sets them against our spending requirements.

2013/14 Resource (Income)	£198.3m (section 5.9 figure 2)
2013/14 Cost to run the Council	£216.1m (section 7.14 figure 8)
2013/14 Funding gap	£ 17.8m

- 21.6 We are already planning for reductions in future funding, and are continually receiving details of new initiatives from Central Government. The Directors and Portfolio Holders are already working up delivery plans for both 2014/15 and 2015/16, and these are included in this report.
- 21.7 Despite this operating environment, we are continuing our aims of transforming, modernising and increasing efficiency across the whole council. This has been demonstrated by the revised Senior Management structure to ensure we have a fit for purpose leadership team in place to delivery our objectives. Savings from further management delayering will deliver savings to the overall budget, and help protect frontline services.

- 21.8 As the Council undertakes transformation, there will be a need to reduce staff numbers, but this will continue to be managed in such a way as to reduce the need for redundancies. We are trying to minimise the scale of compulsory redundancies and we have just launched a voluntary release scheme.
- 21.9 The Council remains very ambitious with an extensive Capital Programme, as well as delivering the Controlling Group's Election Pledges.
- 21.10 This budget addresses the reality of the continuing reductions in grant funding whilst addressing the areas of most need.
- 21.11 The budget has acknowledged the demand needs from our demographics and the continuing pressures within the Adult Social Care service during its transformation and transfer to Personal Budgets.
- 21.12 It is imperative that as a Council we understand that we are all in this together, both as officers and as Members. We have just launched a staff suggestion scheme in order to benefit from the best ideas of those actually responsible for delivering our services.
- 21.13 Whilst recognising the need to reduce our services, and increase fees and charges, we are fully committed to minimise wherever possible the impact on the most vulnerable people in the City.
- 21.14 This is a draft budget report for consultation. Cabinet will consider all consultation responses, along with the output from the January 2013 budget scrutiny and any material changes from the Comprehensive Spending Review settlement in early February 2013 prior to recommending a final budget for adoption by Full Council on 27 February 2013.

This page is intentionally left blank

Appendix A Departmental Indicative Budgets 2013/14

Directorate / Service	12/13 Revised Budget Base	2013/14 Step up Delivery Plans	Changes agreed as part of MTFF Review	Back out of 2012/13 Council Tax Freeze Grant	Initial target budget in line with revised MTFF	2013/14 new delivery plans	One off Allocations 12/13	One off Allocations 13/14	13/14 Target Budget	Movement
Executive Office	1,900	(210)	0		1,690	(85)	0	0	1,605	(295)
Chief Executives Office	1,654	0	0		1,654	(80)	0	0	1,574	(80)
Departmental Management	346	0	0		346	0	0	0	346	0
Executive Office Budget Saving	(100)	(210)	0		(310)	(5)	0	0	(315)	(215)
Corporate Items	6,489	(1,720)	3,296	2,400	10,465	(2,100)	0	0	8,365	1,876
Capital Financing	9,080	0	300		9,380	(300)	0	0	9,080	0
Accountable bodies	0	0	0		0	0	0	0	0	0
Major Projects	0	0	0		0	0	0	0	0	0
Corporate Items Budget Savings	1,019	(1,720)	(1,000)		(1,701)	(1,800)	0	0	(3,501)	(4,520)
Other Corporate Items	(3,610)	0	3,996	2,400	2,786	0	0	0	2,786	6,396
Corporate Services	30,194	(780)	300		29,714	(1,475)	(250)	0	27,989	(2,205)
Finance, Effic, Tech & Assets	18,899	(70)	0		18,829	(990)	0	0	17,839	(1,060)
Democracy & Governance	5,049	0	0		5,049	(70)	0	0	4,979	(70)
Customer Services	4,763	(190)	0		4,573	(250)	0	0	4,323	(440)
Human Resources & OD	3,176	(20)	300		3,456	(165)	0	0	3,291	115
Departmental Management	291	0	0		291	0	0	0	291	0
Corporate Serv budget savings	(1,985)	(500)	0		(2,485)	0	(250)	0	(2,735)	(750)
People Directorate	122,822	(2,720)	4,000		124,102	(6,180)	(1,020)	2,000	118,902	(3,920)
Childrens Social Care	27,121	(725)	900		27,296	(458)	0	0	26,838	(283)
Jt Comm & Adult Social Care	67,929	(1,320)	2,900		69,509	(4,485)	0	2,000	67,024	(905)
Education, Learning & Family S	15,666	(675)	200		15,191	(799)	0	0	14,392	(1,274)
Homes & Communities	8,011	0	0		8,011	(339)	0	0	7,672	(339)
Programmes Director projects	3,372	0	0		3,372	(59)	(1,020)	0	2,293	(1,079)
Management and Support	724	0	0		724	(40)	0	0	684	(40)
People budget savings	0	0	0		0	0	0	0	0	0
Place Directorate	42,361	(570)	1,300		43,091	(1,147)	(500)	750	42,194	(167)
Economic Development	2,297	(90)	300		2,507	(84)	0	0	2,423	126
Transport & Infrastructure	14,025	(200)	0		13,825	(250)	0	0	13,575	(450)
Planning	1,765	0	0		1,765	(103)	0	0	1,662	(103)
Environmental Services	24,745	0	1,000		25,745	(710)	0	0	25,035	290
Strategic Waste Programme	305	0	0		305	0	0	0	305	0
Business Support	(751)	(280)	0		(1,031)	0	0	0	(1,031)	(280)
Management and Support	623	0	0		623	0	0	0	623	0
Place Budget Savings	(648)	0	0		(648)	0	(500)	750	(398)	250
Total	203,766	(6,000)	8,896	2,400	209,062	(10,987)	(1,770)	2,750	199,055	(4,711)

Resources

198,300

Funding Gap (Shortfall)

(755)

This page is intentionally left blank

Section I - Analysis of Budget Robustness

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

SECTION I - DELIVERY OF BUDGET		
<p>I. Delivery of a Balanced Revenue Budget</p> <p>(a) Comprehensive Spending Review and Settlement</p> <p>Public Sector funding continues to remain extremely challenging. Central Government settlements are now much more short term and uncertain. At the time of setting this 2013/14 indicative revenue budget we still do not know what our funding is for the year (confirmation is expected late December 2012)</p> <p>More funding responsibility is transferring from Central to Local Government with the need to increase Local Business Rates and New Homes Bonus to compensate for a drop in formula grant.</p> <p>Overall revenue funding is expected to continue to reduce for the foreseeable future with a corresponding need to drive further efficiencies and consider alternative service delivery options.</p> <p>The government uses each spending review as an opportunity to review the level of specific grants or to mainstream specific grants into core funding. Where this happens there is a risk of reduced funding impacting on the budget. Examples for 2013/14 are likely to include the Learning Disability and Health Reform Grant, Early Intervention Grant.</p>	<p>Medium Term Financial Forecast has been modelled on a 'most likely' and 'worst case' scenario. Including known spending commitments, the worst case model equates to having to deliver £11.8m of additional plans in 2013/14. CMT and Cabinet Planning have agreed to set plans at this level in order to make some inroads into the 2014/15 anticipated revenue budget shortfalls.</p> <p>Budget Delivery Plans for 2013/14 have been subjected to robust scrutiny both at senior officer level and comprehensive portfolio holder challenges. Further work will be undertaken throughout the early months of 2013 to develop more cross cutting plans aiming to balance an indicative 2014/15 revenue position.</p> <p>The Council will work closely with other stakeholders such as unitary councils, the Local Government Association, SOLACE and LG Futures to interpret, translate and communicate guidance and indicative figures produced from central government at the earliest possible opportunity.</p> <p>Finance will work with departments to establish the likely impact on on-going commitments and implement plans to reduce spending in line with funding changes</p>	RED

Section I - Analysis of Budget Robustness

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

<p>(b) Risk of non-delivery of budget plans Underpinning the 2013/14 budget are a set of challenging departmental and cross cutting delivery plans. These are in addition to the step up in delivery plans already incorporated within the 2012/13 base revenue budget.</p> <p>Continuing to deliver increasing plans with limited capacity requires excellent project management and careful monitoring.</p> <p>2012/13 forecasted revenue budget overspend as reported in September '12 quarterly monitoring will add further pressure if CMT are not able to return a balanced budget by year end.</p> <p>(c) Transfers of Responsibilities and Funding</p> <p><u>Public Health</u> The Public Health Service will formally transfer from Health to Local government with the Council taking full responsibility in April 2013. Funding will move as part of this transfer of responsibility. There is a risk that the level of funding transferring will not cover the responsibilities.</p> <p><u>Police Commissioner</u> A new Police Commissioner has been elected in November 2012 and will take full responsibility for the Forcewide Police Budget with a small transfer of some Formula Grant (formerly part of the Safe and Strong Area Based Grant subsumed into Formula Grant). This may change the use of the funds subject to priorities set by the newly elected Police Commissioner</p>	<p>All departments are seeking to make savings to deliver a breakeven budget for 2012/13 and address the reported Adult Social Care budget pressures.</p> <p>Detailed public quarterly reports will continue with a monthly streamlined report being reviewed by CMT and Cabinet Members and Scrutiny.</p> <p>The Council and regional Public Health Directors will continue to ensure Public Health is fully funded.</p> <p>A project team has been established to prepare and implement the smooth transfer of responsibilities.</p> <p>Funding levels will be thoroughly monitored against service commitment transferring. Additional delivery plans will be developed in the event of any funding shortfall.</p>	<p>AMBER</p>
---	---	---------------------

Section I - Analysis of Budget Robustness

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

<p><u>More emphasis on generating local funding</u> Central Government formula grant will continue to diminish. The impact of this can be dampened through generating more local income through Business Rates, Council Tax and New Homes Bonus.</p> <p><u>Local Council Tax Support</u> The system for administering Council Tax Benefit is changing from a national system to a locally administered scheme that needs to be approved by January 2013 and implemented by April 2013. Indicative grant funding for the new scheme is estimated as being £2.6m short of what our existing spend commitments are.</p> <p><u>Young People remanded in custody</u> On the 3rd December 2012 all young people remanded to custody will become looked after by the local authority. From April 2013 responsibility for funding will transfer from the home office to the local authority</p>	<p>The Council retains economic growth as a key priority and will aim to divert further resources into this area. Delivery of growth will, in turn generate additional local business rates, an element of which will be able to be retained by the council under the new funding framework.</p> <p>PCC are modelling and planning to enter a Business Rate 'pooling' arrangement, (subject to final settlement), with all Devon authorities in order to maximise the total business rates retained in the County.</p> <p>The Council, along with all Devon authorities, consulted the public on a cost neutral Council Tax Support scheme. Under this arrangement, benefits paid would be reduced across the board, (except for protected clients such as elderly), in order to avoid an additional strain on general revenue resources.</p> <p>Joint working with Youth Offending Service to ensure non-custodial community provision is acceptable to the court for young people at risk of remand.</p> <p>Continue to lobby for appropriate funding via the appropriate channels</p>	RED
--	--	-----

Section I - Analysis of Budget Robustness

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

<p><u>2. Service Specific Issues</u></p> <p>(a) Children and Young People</p> <p>Children in Care</p> <p>Within the first 6 months of 2012/13 the number of Children in Care has remained relatively static with a slight downward trend. However, it will be a challenge to deliver within budget due to:</p> <ul style="list-style-type: none"> • Increasing numbers of very young children requiring adoption will result in more children aged 5-11 remaining in foster care against a backdrop of a national shortage of adopters • The level and complexity of need and behaviours of some children requiring care in high cost Independent Fostering and residential placements. <p>Children in the Community</p> <ul style="list-style-type: none"> • The number of referrals to children's social care has continued to rise. The numbers of children subject to a Child Protection Plan is relatively stable at around 300. However the current economic climate and welfare reforms are likely to have an impact • An increasing numbers of unborn babies being referred to children's social care, some of whom will require high cost parent and child assessment placements 	<p>Regular financial modelling of actual activity and trends, monitoring of social work caseloads</p> <p>Continued focus on preventative and early intervention strategies to prevent cases escalating and to keep children in their extended family environment.</p> <p>Closer working relationships with the courts in relation to the implementation of the Family Justice Review.</p> <p>Effective use of the common assessment framework</p> <p>Implementation of the Adoption Action plan, partnership working with our local Voluntary Adoption Agency to recruit adopters for 'harder to place' children.</p> <p>Continued recruitment, retention, training and development of in house foster carers to keep children within Plymouth.</p> <p>Rigour in resource Panel to review high cost placements</p> <p>January 2013 opening of a small in City residential provision.</p> <p>Continued use of the Councils parent and child assessment team and the recruitment of Parent and Child fostering placements.</p> <p>Commissioning activity to drive down the cost of residential parent and child provision</p> <p>Audit of referrals and initial assessments to examine robustness of children social care thresholds.</p> <p>Appropriate de-escalation of child in need or child protection cases via the common assessment framework to community support</p>	AMBER
---	--	--------------

Section I - Analysis of Budget Robustness

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

<p>There continues to be a change to the status of schools in the city which include academies, trust schools and co-operative trusts as well as local authority maintained schools. There is increased competition in the market to sell services to schools which could lead to a loss of business and income.</p> <p>School Funding Reform from April 2013, including increased delegation of budgets to schools has potential impacts on the Council's services.</p> <p>The role of the local authority as a champion of inclusion is impacted by reduced budgets.</p> <p>An increase in the numbers of children and young people with complex disabilities and the cost of meeting their needs.</p> <p>Budget pressures and structural changes across partner agencies impact on the ability to promote early intervention and prevention and diversion from specialist services and invest in workforce development.</p>	<p>Focus on local co-operative and collaborative models working with schools to design and promote local services to support their needs.</p> <p>Promoting an ongoing collaborative relationship with organisations of schools for school improvement and support for pupils.</p> <p>Modernising the traded offer to schools through the Services4Schools directory to maximise buy back.</p> <p>Continued work with partners, local special schools and the voluntary and community sector to provide lower cost personalised packages of education and care.</p> <p>Early Intervention and Prevention Strategy agreed by all partners to improve integrated working. This will include collective workforce development.</p> <p>Rigorous commissioning and contract monitoring of early intervention services.</p> <p>Clear children's voice on Health and Wellbeing board and Children's Trust Partnership</p>	
--	---	--

Section I - Analysis of Budget Robustness

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

<p>(b) Adult Social Care</p> <p>Within Adult Social Care there are nationally recognised demographic changes which impact the budget, due to both an ageing population and increased complex needs.</p> <p>The services are volatile and small changes in service user numbers of those with high care needs can impact significantly on the budget.</p> <p>Underlying revenue overspend in 2012/13 will place additional pressure to deliver efficiencies alongside the challenging budget delivery plans for 2013/14</p> <p>The personalisation, modernisation agendas continue to present challenges as they drive the transformation of the service. The transition from traditional to modern methods of care and necessary cultural changes could in the interim create budget pressure.</p> <p>Service priorities and funding decisions made by Health Partners can impact on the costs incurred by the Council.</p> <p>Nationally a number of Local Authorities are reviewing a number of legal cases challenging the approach taken by Social Care Services. These test cases, primarily into charging, fee levels and eligibility criteria could result in significant increases in the cost of providing social care.</p>	<p>Accurate and timely monitoring information provided to lead officers for Adult Social Care.</p> <p>Allowances made in MTFE for inflation and demographic growth for 2013/14 budget.</p> <p>Better integrated forecasting and working with Health. Review of data quality, linked to Carefirst project and other systems.</p> <p>All departments are seeking to make savings to deliver a breakeven budget for 2012/13 and address the reported Adult Social Care budget pressures.</p> <p>The People Programme Board continues to govern and scrutinise the delivery of action plans and the transformation of adult social care services and commissioning intentions.</p> <p>Maintaining effective and influential working relationships with Plymouth Health Commissioners.</p> <p>Public Health staff will co-locate with Social Services staff in Windsor House in March 2013. Further co-location with Health staff will follow shortly after.</p> <p>The Legal outcomes are being carefully reviewed by our Legal Service in the context of Plymouth City Council.</p>	<p>AMBER</p>
---	--	---------------------

Section I - Analysis of Budget Robustness

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

<p>(c) Homes and Communities</p> <p>Housing</p> <p>There is a risk of rising costs for homelessness, housing need and other housing services due to</p> <ul style="list-style-type: none"> • Increasing demand because of welfare benefit reforms / recession. • Increased people Rough Sleeping • Rising costs of Private Renting • Regeneration of North Prospect and Devonport adding increasing demand • Poor housing stock in Plymouth and reduced government funding to tackle the problem <p>The mix of increasing demand (10,000 on DHC waiting list) , limited supply (750 pa) and the demands of decanting 940 households over the next few years from regeneration projects, will test resources severely, and if not managed could increase costs of temporary accommodation / bed and breakfast for homeless families</p> <p>Private sector housing capital funding diminishes incrementally to grant only after 2013/ 14 at about a third of last year's programme, therefore schemes to help the above will be limited</p> <p>Stock Transfer</p> <p>As part of the transfer the Council has been required to provide a number of warranties. There may yet be residual costs and claims that will fall to the Council, eg public liability claims.</p>	<p>Delivery plans attached to the Housing Plan which set out how we will mitigate these issues. We are expanding easy-let (a private rented sector leasing scheme) and managing our access to other accommodation as best we can.</p> <p>Two more years of homelessness grant funding at present - without this things will be more difficult</p> <p>We have £1m health funding to fund adaptation grant for 2013/14 but not thereafter</p> <p>The Council has negotiated monies, as part of stock transfer, via VAT shelter and Right to Buy receipts, whilst these monies are a capital</p>	AMBER
---	---	--------------

Section I - Analysis of Budget Robustness

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

<p>The Council faces financial issues into the future relating to the stock transfer; in the coming year this will include the loss of significant levels of income associated with Service Level Agreements ending or diminishing</p>	<p>resource they have not been allocated to the capital programme. These monies have been set aside in the first instance to tackle any issues relating to stock transfer. The monies could become available for alternative investment as potential liabilities reduce.</p> <p>Quarterly joint liaison meetings continue to take place with PCH monitoring variations to Service Level Agreements</p>	
<p>(d) Environmental Services Landfill tax is set to increase by £8 per tonne each year until 2014. This will add a budget pressure in the region of £650k per year. In addition, the costs of transporting waste are rising.</p>	<p>Targets to reduce the percentage of waste going to landfill have been set.</p> <p>We have entered into a Private Finance Initiative, (PFI), with Devon County and Torbay Councils to build a new 'waste into energy' plant.</p> <p>Set aside a Waste Reserve to help address the rising costs of the waste operations. Additional allocation in the MTFF to cover short term funding shortfalls until the new plant is fully operational.</p> <p>Reviewing the cost of waste operations to identify cost reduction and other solutions such as the replacement of expensive fleet hire with cheaper purchase options.</p> <p>The council will continue to pursue proposed Government funding to encourage Councils to <u>maintain</u> or introduce weekly collections</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>(e) Economic Development / Climate:</p> <p>The Economic Development service is funded from income generated from the commercial property estate, with a circa £1.2 million surplus contributing to the general fund. It is a further significant challenge to maintain the service income target in a falling market.</p> <p>Unrealistic commercial income targets should not place service delivery at risk.</p> <p>Inability to deliver the Growth agenda will impact on income stream of local Business Rate retention which could, in turn, impact on the Devon-wide pooling of business rates.</p>	<p>Allowances have been made in the MTFF to reflect a fall in income for commercial rents and car parks.</p> <p>The council aims to enable 'technical and financial expertise' to deliver significant projects which unlock growth within the city.</p> <p>Alternative, more innovative methods of funding are being considered with key partners and stakeholders.</p> <p>Strategic responsibility for all Council property now managed within the Place Directorate. Further strategic reviews on 'packages' of assets will be drawn up and considered.</p>	<p>AMBER</p>
<p>(f) Transport & Highways</p> <p>The Highway Asset Management plan indicates a requirement to increase annual revenue spend by £1.5m and capital spend by £7m to maintain the network on a like for like basis over the next 20 years.</p> <p>There needs to be greater emphasis on 'regional' inputs to ensure we benefit from the likely decentralised budgets for major schemes as well as decentralised local train services.</p>	<p>Risk assessments are undertaken to ensure resources are targeted appropriately and in areas of greatest need.</p> <p>Outline business cases are being prepared for future sub regional funding rounds.</p>	<p>AMBER</p>
<p>(g) Housing Delivery</p> <p>There is increasing demand for Housing services brought about by the housing market, welfare benefit reforms and the recession.</p> <p>There is a significantly increasing demand for homelessness and housing need.</p>	<p>Proactive approaches to support housing delivery are being pursued e.g. council sites being considered for private sector housing development, discussions with</p>	<p>AMBER</p>

Section I - Analysis of Budget Robustness

Risk Identified	Risk Mitigation (Actions Required)	Risk Status *
* Risk Status : Red=High; Amber=Medium; Green=Low		
<p>Private sector housing capital funding diminishes to grant only after 2013/ 14 at about a third of previous year's programme.</p> <p>New house building is at a low; our proportion of affordable housing has been growing due to previous government funding</p>	<p>private sector on new housing delivery models, development of proposals for self build.</p>	
<p>3. Corporate Issues</p> <p>(a) Maintenance Liabilities</p> <p>Inadequate budget provision to meet maintenance liabilities</p> <p>Provision has been made in the revenue budget to meet the costs of the routine maintenance of the Council's operational buildings. Improvement works are charged to the capital budget. The asset management strategy identifies that there is a significant backlog in maintenance obligations.</p> <p>Risks include health and safety issues that may arise during the year and the uncertainties over the future of the Civic Centre.</p>	<p>Strategic Property will keep under review all the Council's assets including identifying and considering assets for disposal.</p> <p>An allocation has been made in the MTFF to cover the short term maintenance costs of the Civic Centre prior to securing a viable long term solution (contract due to be awarded in June 2013)</p> <p>The Accommodation strategy has reduced the number of offices and on-going maintenance liability</p> <p>The insurance reserve can be used to meet the costs of urgent health and safety repairs.</p>	AMBER
<p>(b) Impact of redundancies on revenue</p> <p>The budget delivery plans will result in a reduction of staffing across the Council.</p> <p>Redundancies result in one-off costs, including a contribution to the pension fund.</p>	<p>A redundancy reserve has been set up and will be kept under regular review. The Voluntary Release Scheme has been re-launched in November 2012 for a limited time</p> <p>We will continue to minimise the number of redundancies through vacancy management, effective redeployment practices and close working with the unions.</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>(c) Equal Pay</p> <p>The Council has received a number of equal pay claims and grievances. These will be dealt with by way of grievance hearings and through the Employment Tribunal system.</p>	<p>An equal pay reserve has been set up and will be kept under regular review.</p> <p>The Council can apply for future capitalisation directions should costs exceed threshold</p>	AMBER
<p>(d) Welfare Reform</p> <p>The Government's planned overhaul of the welfare system will impact on many services provided by the council and, more importantly, will have a significant impact on the residents of Plymouth.</p> <p>For example, less benefits paid could impact on the council's priority of delivering growth, affect homelessness figures and reduce our ability to collect income due to us.</p> <p>Indicative funding to implement a new Council Tax Support scheme is circa £2.6m less than existing spend demand</p>	<p>A cross-cutting officer group evaluating the overall impact of welfare reform has been established.</p> <p>Regular awareness sessions and road-shows will continue.</p> <p>Effective links maintained within the sector and local partners.</p> <p>Consultation has been completed on a self-financed new Council Tax Support scheme (to commence in April 2013). Services are monitoring current demand and preparing for potential increases from April 2013, once the new welfare reform starts.</p>	RED

SECTION II – IMPACT OF MAJOR PROJECTS / CORPORATE ITEMS

<p>4. Major Projects</p> <p>Delivery of Major Projects- timing and resources</p> <p>The Council currently has a number of cross cutting major projects either in progress or planned for the medium term. The key risk is delivering the projects on time and to budget.</p> <p>The requirement to reduce staffing to balance budgets may impact on the ability</p>	<p>Clear project plans in place for key areas. Focussing on a fewer number of larger projects, such as the transformational change agenda. Promoting greater visibility, governance and reporting arrangements for such projects.</p> <p>Wherever possible, revenue and Capital Funding have been allocated to Corporate priorities under the</p>	AMBER
---	---	--------------

Section I - Analysis of Budget Robustness

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

<p>to adequately resource projects.</p> <p>Many projects require services to be delivered in an innovative way. There may need to be a requirement for external advisors which puts pressure on budgets.</p>	<p>budget process.</p> <p>Financial benefits achieved through the delivery of cross cutting projects and delivery plans will be offset against budgets held within individual service areas that benefit from the respective project.</p>	
<p><u>The main projects are:</u></p> <p>(a) Waste PFI The cost of disposing the City's waste is due to rise sharply over the coming years.</p> <p>The Council has jointly signed a contract with German Company MVV Umwelt to deliver an Energy from Waste PFI solution in partnership with Torbay and Devon County Councils. The new plant is due to be fully operational by October 2014.</p>	<p>A waste management reserve has been created to manage the short term funding gap prior to the new plant being operational. Additional allowance has been made in the MTFF for 2013/14 and 2014/15.</p> <p>The contract provides future certainty to the amount the Council will be paying for waste disposal linked to disposal volumes. PFI credits to support the scheme have been confirmed</p>	AMBER
<p>(b) HR / Payroll replacement</p> <p>The Council is replacing its HR and Payroll systems and has entered into contracts for the implementation of these new systems. The proposed 'go live' date has been delayed until February 2013.</p>	<p>A project delivery board is in place which reports to the Corporate Services Programme Board.</p> <p>There will be parallel running of the old and new systems prior to 'go live' to allow robust testing and validation checks</p>	AMBER
<p>(c) Pavilions (Arena / Ice)</p> <p>The Council in conjunction with the Life Centre project had always intended to pursue options around the re-provision of Ice Skating facilities within the City and the I remodelling of the Pavilions complex following the closure of the pool area.</p>	<p>The Council has now selected a provider of Ice and Arena facilities</p>	GREEN

Section I - Analysis of Budget Robustness

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

<p>(d) Transformational Change</p> <p>The Council has approved a programme of transformational change which will require a fundamental review of all services that we provide.</p> <p>Customer transactions will be integrated to give 'one version' and 'entry point' for the customer and all transactional services will be consolidated in one place.</p> <p>This project will require significant resources to implement including major investment in ICT, change management capacity and staff engagement throughout the process.</p>	<p>Cabinet and CMT have signed up to the programme and agreed to fund the £4.5m implementation costs.</p> <p>The MTFF assumes a net return, (after borrowing costs) of £1.5m by 2014/15 rising to £3.2m in the following year.</p> <p>A Programme sponsor and lead has been appointed and further capacity and appointments will be made early in 2013.</p> <p>Agreement has been made to use an element of council reserves to 'pump prime' the project.</p>	AMBER
<p>(e) Shared Services</p> <p>The Council has been exploring the market and benefit for sharing services with other public sector bodies. In the first instance this has focussed on ICT, although other service areas are being considered.</p> <p>An initial budget delivery plan has been set within the Corporate Services budget for 2013/14 to achieve £500k from ICT shared services.</p>	<p>A full Business Case for ICT shared services will be produced in February 2013.</p> <p>Expressions of interest have been made by Exeter, East Devon, Teignbridge and Plymouth City Council to enter into sharing ICT services. Work is ongoing to deliver a Health ICT shared service.</p> <p>Revenue funding is established for a lead senior officer. Legal and financial capacity has been allocated to the project to aid development and implementation.</p>	AMBER
SECTION III - IMPACT OF ECONOMY		
<p>5. <u>Economic Impact on Income</u></p> <p>(a) Reduced income from fees and charges</p> <p>The economic climate continues to see a reduction in income such as car parking</p>	<p>Departments have reviewed underlying income assumptions. Allowances have been made in the MTFF for 2013/14 revenue budget.</p> <p>Increases to fees and charges are</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>and commercial rent income</p> <p>(b) Reduced collection rates – NNDR & Council Tax National economic climate having impact on local authority. This may result in reduced collection rates for the Authority</p> <p>As more stages of welfare reform are introduced, further pressure will be evident on income collection rates.</p>	<p>under review as part of the budget setting process.</p> <p>Key PIs in relation to collection rates reported/monitored in bi-monthly monitoring report.</p> <p>More focus on collecting income earlier in the process through direct debit and on-line methods.</p> <p>Allowances made in MTFF for reduced income rates. Hardship fund proposed as part of the new Council Tax Support scheme.</p>	AMBER
<p>6. Treasury Management</p> <p>(a) Borrowing risk – portfolio imbalance PWLB/LOBO</p> <p>Average interest payable on loans exceeds rate of interest receivable on investments increasing pressure on budget.</p>	<p>New borrowing to be considered from PWLB to address the imbalance.</p> <p>Continue strategy to make greater use of variable rate debt and maximise short term temporary borrowing options.</p> <p>Use balances and reserves to meet cash flow and borrowing requirements wherever possible.</p> <p>Seek opportunities to repay long term historical loans where viable and cost effective to do so.</p>	GREEN
<p>(b) Investment losses – Iceland Banks</p> <p>Recovery of Investment monies in Landsbanki and Glitnir, and Heritable.</p> <p>Court proceedings now concluded and Test Cases have been granted Preferential Creditor status.</p>	<p>PCC representation on the Local Authority Iceland Bank Steering Committee.</p> <p>Regular dividend payments are being received and actively pursued..</p> <p>Capitalisation Direction maximised in 2009/10 enabling any potential losses to be spread over a 20 year period.</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>7. Capital Programme</p> <p>Current housing market makes it difficult to generate sufficient capital receipts to fund capital programme at assumed level.</p> <p>Impact of Credit Crunch on Treasury Management with knock on effect on Capital Programme.</p> <p>Any shortfall may require additional temporary borrowing which will impact on revenue budget.</p> <p>Longer term capital resources still remain uncertain.</p>	<p>Constant review of capital receipts position and other financing options as part of monitoring.</p> <p>Review of capital programme to reduce dependency on capital receipts undertaken as part of budget setting.</p> <p>The level of grants will be constantly monitored, with projects being delivered over several years not being commenced until there is certainty over linked grant funding.</p> <p>Continuing dialogue with the relevant Government departments</p>	AMBER
SECTION IV – FURTHER BUDGET ASSUMPTIONS		
<p>8. Inflation assumptions</p> <p>Difficult to identify impact of inflation / deflation re economic uncertainty</p> <p>RPI remains high. PCC 2013/14 revenue budget does not allocate general inflation to non-pay lines.</p>	<p>2013/14 revenue budget has allocated inflation increases to core pressure points of Adult, and Children, Social Care contracts and Utilities.</p> <p>Continuing assumption that departments will absorb general inflation (estimated to be circa £800k council-wide)</p>	AMBER
<p>(a) Pay award</p> <p>The budget for 2013/14 assumes a pay increase of 1.5% following the last two years of pay freeze.</p>	<p>Budget provision is held corporately for any potential increase.</p> <p>MTFF will address future increases.</p>	GREEN

Section I - Analysis of Budget Robustness

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

<p>(b) Energy costs <u>Gas and Electricity</u> The cost of utilities continues to soar which impacts across a range of council budgets. We currently spend circa £4.2m per annum on gas and electricity</p> <p><u>Plymouth Life Centre</u> The risk for fluctuations in utilities tariff is held by the authority.</p>	<p>12% allowance made in the MTFF for uplift in 2013/14 revenue budgets</p> <p>A new 'hedging' contract for purchasing energy has been approved in October 2012 which will help minimize increases.</p> <p>Business case approved to place solar panels of four of the council's buildings to reduce energy consumption. Further 'invest to save' proposals being drafted.</p> <p>Close monitoring of utilities utilisation. Operator has a contractual obligation to reduce utilities consumption annually</p> <p>Energy payback schemes such as Green Tariff and Photovoltaic cells to be considered</p>	GREEN
SECTION V - OTHER		
<p>9. Partners There is a close relationship between the costs incurred by adult social care and Health Partners</p> <p>Both organisations face future budget pressures and challenging transformation agenda's</p>	<p>The Council is a key and influential partner and meets regularly with Health and is also represented at Executive and in Commissioning Group level. The Council is working with Health to co-locate, integrate and strengthen joint commissioning.</p> <p>Budget scrutiny in January 2013 will, for the second consecutive year, incorporate key partners within the process.</p>	AMBER
<p>10. Insurance Cover The adequacy of the authority's insurance arrangements to cover major unforeseen risks</p>	<p>The Council continues to keep the adequacy of its insurance fund under review.</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>Monitoring during 2012/13 indicates the provision should be sufficient to meet all known liabilities.</p> <p>Any shortfall in the provision at year end would be met from the earmarked insurance reserve and/or general balances.</p>	<p>A number of pro-active risk management measures are being implemented in response to the identification of problem areas.</p> <p>The Bellwin Scheme is available for emergency expenditure – this provides 85% funding of costs that exceed the Council's threshold of approximately £0.700m.</p>	
<p>12. Pension Fund a] Deficit</p> <p>The Council's balance sheet shows a significant pensions fund deficit as at 31 March 2012.</p> <p>A triennial pensions review was undertaken in Sept 2010. This confirmed that the pension contribution rates for the following 3 years to March 2014 will remain at the rate of 19.4%.</p> <p>However, the Council is expected to make a 3 year contribution to the fund of £59m. Should our contributions fall short of this amount, for example as a result of a reduction in staffing levels, the Council will be required to make a one off top up to the fund.</p> <p>In 2011/12 we topped up our contributions by £0.3m from our contingency budget</p> <p>For 2012/13 we have been advised of an indicative shortfall of £0.8m.</p> <p>We do not have a projected shortfall for 2013/14 but can assume, as the payroll</p>	<p>The deficit is reported as part of the Council's Annual Statement of Accounts and is therefore subject to Member scrutiny. The IAS19 deficit in the Statement of Accounts is not calculated on the same basis as the triennial review which takes a much longer term view.</p> <p>The Pension Administrators are advising us on an annual basis of their latest projected funding shortfall required, and we are topping up our contributions based on these assumptions on an annual basis. We will know the final funding requirement at the conclusion of the next full valuation, expected in October 2013.</p> <p>We have a pension reserve set aside at £1.1m and for the 2012/13 projected shortfall of £0.8m we will be funding from our contingency budget and drawing down from this reserve.</p> <p>As with 2012/13, we will need to</p>	AMBER

Section I - Analysis of Budget Robustness

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

<p>contributions reduce, that the amount will be approx. £1m</p> <p>Outsourcing/transferred services- Legislation requires pensions liabilities to be fully funded for all staff transferring under TUPE arrangements.</p> <p><u>b] Auto Enrolment</u></p> <p>Plymouth City Council has been allocated a 'staging date' of April 2013. If all employees who are auto-enrolled choose to remain in the scheme, there would be significant budget implications. If, based on a 10% increase employer contributions, it would rise by approximately £200,000.</p>	<p>draw down the balance on the pension reserve and use our contingency budget.</p> <p>The Council makes a 'top-up' to the fund when staff are made redundant.</p> <p>Funding is confirmed as part of the negotiations.</p> <p>At this stage, any impact on the 2013/14 revenue budget will need to be funded from the contingency budget.</p>	
---	--	--

Conclusion

This Appendix represents the risks associated with the budget and the actions required to mitigate the risks. These have been taken into account in the budget setting process.

It should be noted that the Council also operates a system of internal control to identify and manage risk, with a key element the maintenance of strategic and operational risk registers.

The departmental delivery plans are also subject to a vigorous risk assessment process and have been risk rated. Details are shown on the delivery plans themselves

The departmental plans have been subjected to cross-departmental challenge at both CMT, Cabinet and portfolio holder level.

APPENDIX B Movement in Reserves

RESERVES SUMMARY	Balance as at 31/03/2012 £'000	Transfers to Reserves £'000	Transfers from Reserves £'000	Balance as at 31/03/2013 £'000	Transfers to Reserves £'000	Transfers from Reserves £'000	Balance as at 31/03/2014 £'000	Purpose of reserve
Off Street Parking	(100)	(454)	554	0	(450)	450	0	Represents Accumulated trading position. Used to support spending priorities in department.
On Street Parking	0	(2,122)	2,122	0	(2,100)	2,100	0	Represents Accumulated trading position. Used to support spending priorities in department related to transport
City Market	(32)	(9)	0	(41)	0	0	(41)	Represents Accumulated trading position.
Taxis	(132)	(62)	0	(194)	0	0	(194)	Represents Accumulated trading position. Forecasts for 13/14 movement will be known once fee review is considered by Licensing Committee although the target is for a reduction
Street Trading	(89)	0	0	(89)	0	0	(89)	Represents Accumulated trading position, for reinvestment in street trading activities
Land Charges Development Fund	(79)	0	5	(74)	0	5	(69)	To fund improvements in the LLC service
Education Carry Forwards	(65)	0	47	(18)	0	0	(18)	Schools ringfenced resources mainly from grants.
School Budget Share	(4,449)	0	0	(4,449)	0	0	(4,449)	Previously shown as a separate reserve. Represents schools balances under delegated budgets
PFI reserve	(1,185)	0	43	(1,142)	0	64	(1,078)	PFI credits towards the schools PFI contract at Wood View are received in equal instalments over the course of the contract. This reserve enables the matching of the credits to actual expenditure incurred from year to year.
Commuted Maintenance	(975)	(25)	417	(583)	0	0	(583)	Revenue contribution from developers /section 106 agreements to provide for future maintenance over a period of years
VAT Repayment reserve	(340)	0	20	(320)	0	0	(320)	To cover any unforeseen VAT assessments
Accommodation Reserve	(1,374)	0	655	(719)	0	547	(172)	To meet costs of repairs to Office Accommodation. The fund will be used to support the wider accommodation strategy.
Planning LDF Reserve	(62)	0	62	0	0	0	0	Relates to the reprofiling of the LDF timetable and specifically to the costs of the Derriford & Seaton Area Action Plan Public Examination, which is now scheduled to take place in 2012/13.
Insurance and Risk Management Reserve	(1,184)	(150)	50	(1,284)	0	0	(1,284)	To meet any unforeseen/increased costs of insurance claims or works to minimise insurance risk. The fund is available to meet the costs of urgent health and safety works that cannot be contained within existing budgets.
Budget Carry Forwards	(1,221)	0	463	(758)	0	0	(758)	Reserve set up from end of year budget underspends to meet future Council priorities. The reserve is kept under review and balances no longer required transferred to revenue or another reserve as appropriate.
JE contingency	(52)	0	0	(52)	0	0	(52)	Utilised in 2010/11 budget to fund successful appeals
Pensions Fund	(1,088)	0	758	(330)	0	330	0	Following the triennial pensions review the council's contribution rate has been held at current levels for the next three years. However, this is on the understanding that contributions into the fund remain at least at 10/11 levels. Any shortfall will require a one off lump sum payment in year 3. Given further outsourcing, transfer of schools to academies and the anticipated reduction in workforce, it is likely that a shortfall will be incurred.
Redundancies	(2,625)	0	175	(2,450)	0	0	(2,450)	To fund the 2012/13 VRS scheme and meet potential costs of redundancies for 2012/13 and 2013/14, including strain payments to the pension fund. The final position will need to be updated once the impact of staffing become clear.
C/F	(15,052)	(2,822)	5,371	(12,503)	(2,550)	3,496	(11,557)	

APPENDIX B Movement in Reserves

RESERVES SUMMARY C/F	Balance as at 31/03/2012	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/2013	Transfers to Reserves	Transfers from Reserves	Balance as at 31/03/2014	Purpose of reserve
B/F	(15,052)	(2,822)	5,371	(12,503)	(2,550)	3,496	(11,557)	
Urban Enterprise Fund	(357)	0	150	(207)	0	207	0	Match funding to ensure that Plymouth gains access to the European funding available to the region to support Urban Enterprise. Likely to be used by projects by the end of 13/14
Corporate Improvement Priorities	(48)	0	48	0	0	0	0	Fund used to support the Councils Corporate Priorities. The commitments against this fund will be reviewed as part of the budget and performance monitoring process
Stock Transfer Residual Liabilities	(1,005)	0	0	(1,005)	0	0	(1,005)	Reclassification from a provision. This reserve will meet the costs of any further refunds
Capital Reserve	(975)	0	0	(975)	0	0	(975)	To be used to support the capital programme and potential shortfall in capital receipts
Pay Issues	(700)	0	0	(700)	0	0	(700)	To meet the costs of any pay claims, subject to Tribunal hearings.
Invest to Save Reserve	(1,300)	0	1,300	0	0	0	0	Reserve set up using balances released from other reserves.
Recovery costs - Icelandic Banks	(564)	0	0	(564)	0	0	(564)	Allowance for investment losses of the money invested in the Icelandic banks. Reserve currently meeting the ongoing legal costs and borrowing costs from utilising the capitalisation direction in 09/10.
Grants carryforward	(1,192)	0	1,192	0	0	0	0	Under IFRS all grant income must be released to revenue unless there are pay back conditions attached. This reserve therefore reflects unspent balances on ringfenced grant income at the year end, where there are continuing commitments. The amount c/f into 13/14 will become known during the 12/13 closedown process.
Waste Reserve	(1,600)	0	800	(800)	0	800	0	Reserve set up to proactively provide and manage the future budget shortfall due to increasing landfill tax liability pending the new energy from waste plant becoming operational.
Life Centre Dowry	(150)	0	0	(150)	0	0	(150)	Creation of Life Centre Maintenance Dowry to release Sport England Grant Retention for capital scheme
Mortgage Rescue Scheme Reserve	(144)	0	144	0	0	0	0	Part of the wider homelessness prevention strategies, this reserve holds government funding received in relation to the Preventing Repossessions Fund and the balance of funding for the Mortgage Rescue Fund
Tamar Bridge & Torpoint Ferry	(1,495)	0	0	(1,495)	0	0	(1,495)	This balance represents PCC's 50% share of the working balance under joint ownership with Cornwall Council
DRCP	(241)	(217)	241	(217)	0	0	(217)	Reserve set aside to meet future expenditure in Devonport, in lieu of grant funding in 2007/08. Fund set aside to meet ongoing liabilities.
Tamar House - Commercial rents sinking fund	(287)	0	0	(287)	0	0	(287)	RDA rents sinking fund Tamar House
Plymouth City Development Company (CDC) Legacy Reserve	(246)	0	126	(120)	0	0	(120)	Reserve set up to continue the activities previously provided by the Company including branding of the city as part of Positively Plymouth. The reserve includes funds provided by RDA and HCA.
A386 Park & Ride Leased Spaces	(534)	0	44	(490)	0	44	(446)	Upfront payment from PCT for leased spaces at George Park & Ride site. Released to revenue annually in lieu of rental income.
Other Reserves	(548)	(70)	63	(555)	0	0	(555)	All reserves have been reviewed and confirmed as required to meet specific policy commitments
Sub Total Earmarked Reserves	(26,438)	(3,109)	9,479	(20,068)	(2,550)	4,547	(18,071)	
General Fund Working Balance	(11,299)	0	0	(11,299)	0	0	(11,299)	General Balance available to meet unforeseen expenditure. This balance represents 5.5% of net revenue expenditure for 12/13 and is in line with Unitary Council averages
Total Reserves	(37,737)	(3,109)	9,479	(31,367)	(2,550)	4,547	(29,370)	

Step up in 2012/13 Budget Delivery Plans

Theme	Service	2013/14	2014/15	2015/16	Narrative
		£000	£000	£000	
Step up in 2012/13 Adult Social Care Budget Delivery Plans		1,320	1,320	1,320	Due to the volume and complexity of 2013/14 budget delivery plans for Adult Social Care, additional funding has been provided in the 2013/14 budget setting process in order to incorporate these plans within the overall target of £4.485m set for the service next year
Joint Commissioning & Adult Social Care Total		1,320	1,320	1,320	
Commissioning Efficiencies	Children's Social Care	150	150	150	New residential 4 bedded commissioned service within Plymouth
Specialist Services	Children's Social Care	378	378	378	16+ Transitions - Transition to Independence /Adult Social Care.
Commissioning Efficiencies	Children's Social Care	197	197	197	Service management are finalising detailed actions and plans as to how this will be achieved. This will be fed into the budget process in January 2013
Children's Social Care		725	725	725	
Early Intervention and Prevention	Integrated Early Years	170	170	170	Review of Service and budgets
Support to Schools	Schools & Settings	20	20	20	Review of Service and budgets
Balance of 2012/13 step up in delivery plans		485	485	485	Service management are finalising detailed actions and plans as to how this will be achieved. This will be fed into the budget process in January 2013
Education, Learning and Family Support		675	675	675	
People 2012/13 Step Up Delivery Plans TOTALS		2,720	2,720	2,720	

Balancing the budget : Areas for savings, efficiency gains or increase income 2013/14 Delivery Plans

Theme	Service	2013/14	2014/15	2015/16	Narrative
		£000	£000	£000	
Improving Quality and Outcomes, Increasing Choice and Control	Modernisation of Service Provision	642	1,299	1,560	5 modernisation projects to be approved by Cabinet in January 2013.
Commissioning Efficiencies	Review Residential & Supported Living care packages	1,353	1,503	1,503	In order to complete this work the project would need a dedicated review resource.
Commissioning Efficiencies	Securing efficiencies in externally commissioned services	490	839	839	Focus on provision that is no longer strategically relevant or represents VFM.
Commissioning Efficiencies	Utilise uncommitted Funds	2,000	0	0	Utilise uncommitted funds to avoid further cuts to commissioned service.
Joint Commissioning & Adult Social Care Total		4,485	3,641	3,902	
Commissioning Efficiencies	Sports Development Unit	40	40	40	Reviewing more efficient use of support from the Sports Development Unit to encourage greater participation from deprived neighbourhoods
Business Support	Safer Communities	40	40	40	Review Business Support (Vacant Post)
Commissioning Efficiencies	Strategic Housing	93	93	93	Operational savings from core budget.
Homes & Communities Total		173	173	173	
Contract Efficiencies	Leisure Management	59	250	250	Improved use of assets, utilities consumption reduction and energy payback. Reviewing ring-fenced time within programmes, maximising income through improved alignment with Sports Development Unit.
Programme Director Total		59	250	250	
Commissioning Efficiencies	Adult Learning	70	70	70	Funding re-alignment and service delivery models for Adult Learning services
Early Intervention and Prevention	Integrated Early Years	73	125	125	Reviewing children's centre management and delivery model to create efficiency.
Support to Schools	Collaboration and partnership with school organisations	264	357	357	Review and reshape services to reflect changing responsibilities and partnership working with school organisations
Early Intervention and Prevention	Integrated Youth Support	347	472	472	Increasing capacity for targeted youth support, re-alignment of resources in line with government policy to focus on vulnerable children.
Early Intervention and Prevention	Special Projects:Emotional Wellbeing, Mental Health and Parenting Support	234	317	317	Increased accessibility of emotional wellbeing and mental health services and improvements in early parenting support offer prior to social care.
Specialist Services	Children's Social Care and Disability	472	812	912	Increased choice and flexibility in local service provision for short breaks, residential and parent and child placements.
Children's & Young People's Total Delivery Plans 2013/14		1,460	2,153	2,253	
People Services DIRECT TOTALS 2013/14 Plans:		6,177	6,217	6,578	
People TOTAL DELIVERY PLANS (including step up)		8,897	8,937	9,298	

This page is intentionally left blank

Directorate for Place - Revenue Budget Delivery Plans Appendix C

Balancing the budget : Areas for savings, efficiency gains or increase income

Theme	Service	2013/14	2014/15	2015/16	Narrative
		£000	£000	£000	
Additional income related to growth	Cross Directorate	280	280	280	Additional income and fees across the department
Review of culture activities & events	Economic Development	90	90	90	Targeted approach to grants distribution linked to specific activities, review of tourist information facilities
Transport Income / Service Provision	Transport	200	200	200	Initial plan achieved through various transport savings; step up will be achieved through utilisation of new homes bonus income
Place Step Up Delivery Plan TOTALS		570	570	570	

Planning		103	103	103		
E1	Increase the potential of Memorialisation for the Cems & Crams Services plus review burial & cremation fees	Environmental Services	250	280	280	The net benefit quoted, requires recruitment of additional staff, stock and marketing in order to generate more income from memorialisation. Also review of burial & cremation fees
E2	Deferred spend on maintenance improvements in bereavement services	Environmental Services	50	50	0	Maintenance/refurbishment efficiencies
E3	Fleet & Garage - Review methods of operation including revised terms and conditions	Environmental Services	0	100	100	Professional due diligence required . It is likely that savings achieved will be across many services.
E4	Rationalisation of structures within Environmental Services	Environmental Services	100	300	300	Strategic review of service delivery across Environmental Services. This will also be linked to customer transformation e.g. telephony.
E5	Package of Efficiency savings	Environmental Services	110	110	110	Reduced expenditure / increased income in a number of areas (Croquet Lawns; Grass Cutting; Allotment/Beach Huts income; Remove Barrier boxes; review SW in Bloom; Review of bowling greens and the fees).
E6	Remove one Garden Waste collection vehicle	Environmental Services	100	100	100	Trends indicate that the take up of this service in some areas of the City isn't high so the rounds can be rescheduled and one crew can be removed.
E7	Chelson Meadow	Environmental Services	50	60	60	Reduce hours of operation at Chelson Meadow, that will decrease the number of agency working hours.
E8	Casual Staffing Cost	Environmental Services	50	50	50	Reduced Sickness Levels to drive out further savings on Agency workers following robust management of sickness.
E9	Depot Rationalisation	Environmental Services	0	0	100	Savings will be achieved from around 15/16. We currently have maximised savings at Prince Rock Depot , that meet action plans , and expect further savings from existing depots to be realised in 15/16.
Environmental Services			710	1,050	1,100	
T1	Reducing the level of support on Grass Verges	Transport	50	50	50	Review of frequency of non essential work
T2	Review of Transport Fees & Charges	Transport	200	200	200	Review car parking usage and traffic management within the city.
Transport & Infrastructure			250	250	250	
EDI	Review of all Museums and Heritage Functions	Economic Development	84	84	84	Rationalise spend across Museums & Arts pooling of some resource as well as reviewing supplies and services.
Economic Development			84	84	84	

New Place Services DIRECT TOTALS

TOTAL Place New / Step Up Delivery Plans

	1,147	1,487	1,537
--	-------	-------	-------

	1,717	2,057	2,107
--	-------	-------	-------

This page is intentionally left blank

Directorate for Corporate Services - Delivery Plans

APPENDIX C

Step up in 2012/13 Budget Delivery Plans

Plan No	Theme	Service	2013/14	2014/15	2015/16	Narrative
			£000	£000	£000	
	Rationalisation and refinement of ICT strategic & operational structures, applications & proj management	FETA	70	70	70	Refinement of ICT Project Management & Applications including operations and strategic structures
	Libraries Modernisation	Customer Services	140	140	140	Further refinement of service delivery including expansion of services offered through library community hubs
	Contact Centre delivery - centralisation of services across the Council	Customer Services	50	50	50	Opportunities for further transfer and rationalisation of customer contact activities into the Contact Centre, now delivered as part of the transformation programme
	Workforce Management	HR & OD	20	20	20	Further review and rationalisation of training provision into a co-ordinated approach within HR & OD rather than individual Directorates
	Shared Services	Shared ICT services	500	500	500	Development of a shared services IT delivery model with other public sector partners
Corporate Services Step Up Plans 2012/13 TOTALS:			780	780	780	

Balancing the budget : Areas for savings, efficiency gains or increase income. 2013/14 Budget Delivery Plans

F1	Consolidation of all FETA areas by a consistent restructuring process challenging spans of control and number of layers (applying DMA)	FETA	300	350	350	For example returning outlying ICT functions into one integrated team, rationalising FETA management into two strands of "strategy" and "delivery", review of VFM support
F2	Modernise Delivery of Client Finance Service linked to Adult Social Care Transformation	FETA	90	90	90	The review will focus on improving service delivery, and reviewing individual functions including how they fit with other services
F3	Housing Benefit Overpayment recovery	FETA	300	200	100	Additional demand on HB service plus DWP ATLAS work generating a significant volume of 'changes in circumstances' has resulted in an increase in overpayment recovery (which attracts additional income). We will continue to review trends and accrued income.
F4	Re-define scope and service level of caretaking and cleaning services	FETA	100	100	100	Challenge and redefine existing service levels.
F5	Adopt formal service offerings and apply commercial charges for work in addition to Business as Usual (BAU). Also exploit opportunities for further income generation	FETA	50	80	160	Ensure that we levy relevant charges for non BAU project work. Develop commercial skills and better customer engagement / communication to ensure all are aware of our core service products and costs, and apply appropriate charging for anything in addition. Explore income generation potential - e.g. rental of Guildhall and external work from PADs
F6	Further reduce the scope and cost of both external and internal audit.	FETA	150	180	180	Re-negotiating the internal audit contract with Devon Audit Partnership to reduce contract cost by 20% over 2 years. Expecting further reduction in Grant Thornton charges (national indication) for External Audit
F7	Deliver a local Council Tax Support scheme with £2.6m less revenue funding	FETA	0	0	0	Will generate no revenue savings - but a significant budget delivery plan to recognise the introduction of a new Council Tax Support Scheme that will pay £2.6m less benefits to Plymouth residents.
Finance, Efficiencies, Technology & Assets (FETA)			990	1,000	980	
H1	Review Employee Assistance Programme over the next two years	HR & OD	0	0	23	No central point for work/life information and resource. No counselling services available without referrals to OH, will miss lower level problems which will likely to escalate to big issues and absence. Reduction in staff engagement damage to PCC reputation as an employer.
H2	Reduction of HR posts	HR & OD	165	165	165	Deletion of HR capacity in HR advisory services and training
H3	Completion of equal pay issues	HR & OD	0	34	34	
Human Resources & Organisational Development (HR & OD)			165	199	222	
D1	Review of coroner services	D&G	40	40	40	Review use of deputy coroner's and processes
D2	Review legal services input to debt collection	D&G	30	30	30	Consider opportunities for using external debt collection agencies or sell current debt to factoring company
Democracy & Governance (D & G)			70	70	70	
C1	Changing libraries provision	Customer Services	189	189	189	Library efficiencies
C2	Customer contact centre , reception and service improvement teams	Customer Services	61	61	61	Rationalisation of service delivery processes
Customer Services			250	250	250	
NEW Corporate Services Services Plans DIRECT TOTALS			1,475	1,519	1,522	
TOTAL Corporate Services New / Step Up Delivery Plans			2,255	2,299	2,302	

This page is intentionally left blank

Step up in 2012/13 Budget Delivery Plans

Theme	Service	2013/14	2014/15	2015/16	Narrative
		£000	£000	£000	
Balance of 2012/13 step up in delivery plans		210	210	210	Service management are finalising detailed actions and plans as to how this will be achieved. This will be fed into the budget process in January 2013
Executive Office Step Up Delivery Plans TOTALS		210	210	210	

Balancing the budget : Areas for savings, efficiency gains or increase income

Plan No	Theme	Service	2013/14	2014/15	2015/16	Narrative
			£000	£000	£000	
CE1	Review DMA, all levels within Executive Office	Executive Office	40	25	25	Review of all services within the Executive Office
CE2	Reduction Indirect Staffing costs	Executive Office	5	15	15	Pooling of budgets and reprioritising across teams deleiver within reduced spend
CE3	Charging	Policy,Performance	40	15	15	External charging to recover costs re: Civil Protection exercises
CE4	Reduction to agency contributions	Executive Office	0	30	30	Reviewing casual staff spend
Executive Office DIRECT TOTALS			85	85	85	
TOTAL DELIVERY PLANS Executive Office Services:			85	85	85	
Executive Office TOTAL DELIVERY PLAN			295	295	295	

This page is intentionally left blank

Corporate Items - Revenue Budget Delivery Plans

Appendix C

Balancing the budget : Areas for savings, efficiency gains or increase income						
Theme	Service	2013/14	2014/15	2015/16	Narrative	
		£000	£000	£000		
Procurement efficiencies	Cross Directorate	1,150	1,150	1,150	Procure To Pay / Buyer continuation. Driving further efficiencies out of external purchasing	
Senior Management rationalisation	Cross Directorate	570	570	570	Full year impact of senior management delayering and finalisation of 3rd and 4th tier management restructures	
Corporate Items Step Up Plans 2012/13 TOTALS:		1,720	1,720	1,720		

Balancing the budget : Areas for savings, efficiency gains or increase income						
Theme	Service	2013/14	2014/15	2015/16	Narrative	
		£000	£000	£000		
C11 Treasury Management	Corporate Items	300	300	300	Taking short term borrowing rather than using internal balances and reserves currently using £50m. There is a current favourable differential between short term borrowing and deposit rates	
C12 Contingency	Corporate Items	500	500	500	Remove current £0.5m contingency held in corporate items budget and rely on robust budgets and adequate working balance	
C13 Insurance Review	Cross Directorate	300	300	300	Review of self insurance levels and policies held	
C14 Council Tax Base	Corporate Items	1,000	1,000	1,000	maximise/model the Council Tax Base	
C15 Customer Transformation	Corporate Items	0	1,500	3,300	Implementation will commence during 13/14, but initial savings will be required to finance borrowing of project investment	
NEW Corporate Items Services Plans DIRECT TOTALS		2,100	3,600	5,400		

TOTAL Corporate Items New / Step Up Delivery Plans	3,820	5,320	7,120
---	--------------	--------------	--------------

This page is intentionally left blank

2012/13 Capital Programme

	Approved Capital Budget Incl Slippage & Outturn Variations (June 12) £000	Quarter 1 Forecast (for approval at Sept Council)	August Forecast 2012 £000	New Schemes for Approval £000	Re-profiling £000	Virements £000	Variations £000	Sept Forecast 2012 (Quarter 2) £000
People	34,270	38,007	35,339	587	(289)	(100)	129	35,666
Place	15,353	13,727	13,047	1,251	8	0	110	14,416
Corporate Services	8,756	8,747	7,649	168	(479)	100	(130)	7,308
Capital Programme	58,379	60,481	56,035	2,006	(760)	0	109	57,390
Tamar Bridge & Torpoint Ferry	0	1,626	1,626	0	0	0	0	1,626
Total Capital Programme	58,379	62,107	57,661	2,006	(760)	0	109	59,016

Financing of 2012/13 Latest Forecast								
Capital Receipts £000	Unsupported Borrowing £000	Cornwall Unsupported Borrowing £000	Supported Borrowing £000	Grants £000	Contributions £000	S106 / Tariff / RIF £000	Revenue / Funds £000	Total Funding £000
2,602	1,300	0	0	30,177	502	382	703	35,666
3,830	1,371	0	107	6,971	653	781	703	14,416
1,213	4,226	0	0	100	0	7	1,762	7,308
7,645	6,897	0	107	37,248	1,155	1,170	3,168	57,390
0	0	1,626	0	0	0	0	0	1,626
7,645	6,897	1,626	107	37,248	1,155	1,170	3,168	59,016

MTFF Capital Programme

	2012/13 LATEST FORECAST £000	2013/14 LATEST FORECAST £000	2014/15 LATEST FORECAST £000	2015/16 LATEST FORECAST £000	Total £000
People	35,666	30,343	8,861	1,369	76,239
Place	14,416	15,891	8,344	4,929	43,580
Corporate Services	7,308	2,966	1,427	485	12,186
Capital Programme	57,390	49,200	18,632	6,783	132,005
Tamar Bridge & Torpoint Ferry	1,626	3,102	4,985	2,200	11,913
Total Capital Programme	59,016	52,302	23,617	8,983	143,918

Financing of 2012/13 to 2015/16								
Capital Receipts £000	Unsupported Borrowing £000	Cornwall Unsupported Borrowing £000	Supported Borrowing £000	Grants £000	Contributions £000	S106 / Tariff / RIF £000	Revenue / Funds £000	Total Funding £000
3,402	2,713			67,220	795	432	1,677	76,239
10,632	4,962		107	24,078	653	1,653	1,495	43,580
1,591	8,726			100	0	7	1,762	12,186
15,625	16,401	0	107	91,398	1,448	2,092	4,934	132,005
0	0	11,913	0	0	0	0	0	11,913
15,625	16,401	11,913	107	91,398	1,448	2,092	4,934	143,918

This page is intentionally left blank

Details	2012-13 Latest Forecast £000	2013-14 Latest Forecast £000	2014-15 Latest Forecast £000	2015-16 Latest Forecast £000	TOTAL PROGRAMME 2012-15 £000
---------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------

CORPORATE SERVICES**SUSTAINABLE ENERGY:**

Solar PV	168	0	0	0	168
----------	-----	---	---	---	-----

LIBRARIES:

North Prospect Library	0	75	0	0	75
------------------------	---	----	---	---	----

INFORMATION SYSTEMS:

ICT Compliance	107	0	0	0	107
Enterprise Applications	330	0	0	0	330
Corporate Support Transformation (HR & OD)	1,267	200	0	0	1,467
Data Centre Fit Out Windsor House	1,617	0	0	0	1,617
Investment in Customer Transformation and IT Core Infrastructure	200	2,387	1,428	485	4,500
Other	75	0	0	0	75

CORPORATE PROPERTY CAPITAL (INC. ACCOM STRATEGY):

Accommodation strategy Phase 1 Offices:	3,525	0	0	0	3,525
Accommodation strategy Phase 2 Corporate Estate:	12	303	0	0	315
Stonehouse Town Wall	7	0	0	0	7

TOTAL CORPORATE SERVICES

7,308	2,965	1,428	485	12,186
--------------	--------------	--------------	------------	---------------

PLACE**ENVIRONMENTAL SERVICES CAPITAL PROGRAMME:**

Vehicle Replacement Ph. 1 Refuse Vehicle	558	0	0	0	558
Plant Repl Ph 3 Plant/Eqmt Street/Park	880	853	0	0	1,733
Minibus replacement	0	810	170	0	980
Mercury abatement equipment in Crematoria	0	1,092	0	0	1,092

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast	2013-14 Latest Forecast	2014-15 Latest Forecast	2015-16 Latest Forecast	TOTAL PROGRAMME 2012-15
	£000	£000	£000	£000	£000
Refurbishment of Armada Way Toilets	100	0	0	0	100
West Hoe Pier	988	0	0	0	988
Bond Street Playing fields (Southway Community Football Hub)	0	337	0	0	337
Plympton Gas Works	14	0	0	0	14

Retained waste Chelson Meadow restoration:

Chelson Meadow Capping phase 2	435	0	0	0	435
Leachate treatment & storage upgrade	791	0	0	0	791
MRF Upgrade	0	4,000	0	0	4,000
SECTION 106 Environmental Services Projects:	215	0	0	0	215

LOCAL TRANSPORT PLAN:

Balance of LTP programme SCP funding Allocation	163	3,545	4,015	4,579	12,302
Integrated transport system (ITS)	110	0	0	0	110
Plymouth Station Phase 3	404	0	0	0	404
LSTF2 Access to stations	118	318	280	0	716
Bus Punctuality improvement plan (BPIP)	264	0	0	0	264
Strategic Cycle Network (SCN) & safer routes to school	561	0	0	0	561
Digital speed cameras	188	0	0	0	188
Safer sustainable neighbourhoods	453	0	0	0	453
Mayflower East Car park	110	0	0	0	110
Other	149	30	30	0	209

CAPITALISED MAINTENANCE:

Annual Structural Maintenance:	815	0	0	0	815
Highway maintenance & essential engineering:	1,859	0	0	0	1,859
Deteriorated Street Lighting Columns Replacement	150	0	0	0	150

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast £000	2013-14 Latest Forecast £000	2014-15 Latest Forecast £000	2015-16 Latest Forecast £000	TOTAL PROGRAMME 2012-15 £000
---------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------

OTHER TRANSPORT PROJECTS NON LTP:

Access to the Life Centre	200	0	0	0	200
Strategic Road Network Public Transport initiatives	384	0	0	0	384
East End Community Transport Improvement Scheme	632	0	0	0	632
Other	164	0	24	0	188
SECTION 106 Transport Projects:	566	122	0	0	688

Delivery of rights of way improvement plan

Plymouth Connect LSTF scheme:

Laira Rail Bridge	60	1,158	1,892	0	3,110
Friary Park Path	0	161	0	0	161
Finnigan Road Junction	441	0	0	0	441
Exeter St University Cycle Path	201	0	0	0	201
Way finding signage	4	140	0	0	144

Northern Corridor Major Public Transport (George Junction)

Land compensation	385	0	0	0	385
Other	26	0	0	0	26
Flood defence:	66	0	0	0	66

ECONOMIC DEVELOPMENT PROJECTS:

City Market electrical refurbishment	218	0	0	0	218
Theatre Royal regeneration	538	1,457	0	0	1,995
The History Centre	308	400	1,200	0	1,908
Coastal communities fund	121	872	333	0	1,326
Other	35	0	0	0	35

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast £000	2013-14 Latest Forecast £000	2014-15 Latest Forecast £000	2015-16 Latest Forecast £000	TOTAL PROGRAMME 2012-15 £000
---------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------

JOINT COMMITTEE'S WITH CORNWALL COUNCIL:

- Purchase of Marquee	60	0	0	0	60
-----------------------	----	---	---	---	----

PLANNING:

Saltram Countryside Park	84	474	0	0	558
Chelson Meadow landscaping	0	92	300	0	392
Plymouth Natural Networks	0	0	100	350	450
Royal William Yard Steps	250	0	0	0	250
Home Energy	120	30	0	0	150
Other	228	0	0	0	228
TOTAL PLACE	14,416	15,891	8,344	4,929	43,580

PEOPLE

	0	0	0	0	0
--	---	---	---	---	---

Children's Social Care

Autistic Spectrum Disorder (ASD) and Complex Need	513	0	0	0	513
Aiming high for disabled children (2)	197	0	0	0	197

Joint commissioning and Adult Social Care

Adults' Personal Social Services Capital Grant (DoH) 11-12, 12-13	0	193	725	0	918
CareFirst	626	177	337	0	1,140
Extra Care Housing Support (Gap Funding)	200	500	0	0	700
Improving Care Home Environments	305	0	0	0	305
ASC Grant - Major Adaptations	21	0	0	0	21

Homes and Communities

Disabled Facilities (incl Care & Repair works)	1,695	1,530	893	0	4,118
--	-------	-------	-----	---	-------

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast	2013-14 Latest Forecast	2014-15 Latest Forecast	2015-16 Latest Forecast	TOTAL PROGRAMME 2012-15
	£000	£000	£000	£000	£000
Home improvement assistance	303	280	0	0	583
Gypsy and Traveller Site - Broadley Park	77	104	594	15	790

Programmes Director Projects

Plymouth Life Centre - Ice Provision	1,200	800	0	0	2,000
Plymouth Life Centre - Build - Constructions	1,669	0	0	0	1,669
Plymouth Life Centre - FF&E	218	0	0	0	218

BSF

Estover CC - Campus/Replacement College	3,594	0	0	0	3,594
---	-------	---	---	---	-------

BASIC NEED- Nursery Places

2 Year Olds Nursery Places	87	700	963	0	1,750
----------------------------	----	-----	-----	---	-------

BASIC NEED- Wave 1

Increasing Capacity in Primary Schools	0	0	2,292	0	2,292
Weston Mill- Basic Need	164	0	0	0	164
Riverside - Basic Need	2,133	0	0	0	2,133
Mount Wise - Basic Need	1,098	0	0	0	1,098
Ernesettle - Basic Need	614	0	0	0	614
Prince Rock - Basic Need	1,165	0	0	0	1,165

BASIC NEED- Wave 2

Salisbury Road - Basic Need	892	941	0	0	1,833
St Peters CE - Basic Need	240	0	0	0	240
St Josephs - Basic Need	667	1,140	0	0	1,807
Stoke Damerel Primary - Basic Need	505	0	0	854	1,359
Other	95	0	0	0	95

BASIC NEED- Wave 3

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast	2013-14 Latest Forecast	2014-15 Latest Forecast	2015-16 Latest Forecast	TOTAL PROGRAMME 2012-15
	£000	£000	£000	£000	£000
Pilgrim - Basic Need	99	1,385	966	0	2,450
Lipson Vale - Basic Need	72	0	0	0	72
BASIC NEED- Wave 4	13	10	0	0	23
ACADEMIES					
MAP	4,862	4,641	0	0	9,503
ASAP	3,948	7,469	159	0	11,576
MAP - Free School Places	500	3,366	0	0	3,866
UTC	3,771	4,129	0	0	7,900
DEVELOPMENT WORKS					
Boringdon - Replacement of temporary classrooms	1,354	0	0	0	1,354
Other	121	0	0	0	121
CONDITION WORKS					
Condition bid programme	0	500	500	500	1,500
Knowle Primary - Boiler and Condition Works	100	1,524	900	0	2,524
Woodfield - Replacement	150	160	0	0	310
Holy Cross RC (VA)- MUGA in Beaumont Park	20	100	0	0	120
Other	453	53	0	0	506
S106 PROJECTS					
Lipson CC - S106 project	123	0	0	0	123
Other	104	0	0	0	104
ACCESS					
Mill Ford School - Car Park / Access Improvements	22	0	0	0	22
SCHOOL MEALS					
St Boniface - Exceptional TCF for practical cooking spaces	264	0	0	0	264

Capital Projects 2012/13 - 2015/16

Details	2012-13 Latest Forecast	2013-14 Latest Forecast	2014-15 Latest Forecast	2015-16 Latest Forecast	TOTAL PROGRAMME 2012-15
	£000	£000	£000	£000	£000
Mill Ford - Redevelop kitchen and facilities	61	0	0	0	61
SEN AND INCLUSION	114	0	0	0	114
HARNESSING TECHNOLOGY					
Mill Ford - Harnessing Technology	6	0	0	0	6
DEVOLVED CAPITAL FORMULA	1,030	640	533	0	2,203
DEVOLVED CAPITAL PROJECTS	201	0	0	0	201
TOTAL PEOPLE	35,666	30,342	8,862	1,369	76,239
TOTAL CITY COUNCIL CAPITAL PROGRAMME	57,390	49,198	18,634	6,783	132,005
Tamar Bridge & Torpoint Ferry programme	1,626	3,102	4,985	2,200	11,913
Overall Capital Programme	59,016	52,300	23,619	8,983	143,918

This page is intentionally left blank

APPENDIX F**£8.9M PRESSURES INCORPORATED IN 2013/14 REVENUE BUDGET**

	Item	£m	Rationale / explanation
1	Reduction in Council Tax collection rates	1.0	Welfare reform changes, alongside current economic factors, are going to put extra strain on people's ability to pay their Council Tax. We are allocating this sum into contingency to cover the risk of reducing Council Tax collection rates (circa 1%).
2	Reduce income streams across the Council	0.3	Reflects falling income due to economic circumstances for council car parks and commercial rents. Requires further analysis to understand future trends.
3	Reduced funding from Schools due to new legislation.	0.2	New legislation restricts flexibility re corporate commitments against the Dedicated Schools Grant. Also, increase in Schools converting to Academies has a knock on impact on general fund income.
4	Waste disposal costs	1.0	Extra funding needed to cover the escalating costs of waste collection and landfill tax in the short term. It is estimated that an additional £1.8m is required in 2013/14 to include a draw-down of £800k from the Waste Reserve.
5	Adult Social Care demographics / contracts	1.5	Over the next decade to 2021 the 65+ population in Plymouth is due to grow by 14%, (ONS stats). Assuming that this is a flat line growth of 1.4% per annum and that the proportion of elderly people requiring support is consistent with current profiles, the year on year additional revenue pressure on the adult social care net budget, (circa £67m), is £938k. Additional allocation made in 2013/14 to help the transitional implementation re: high volume of significant budget delivery plans
6	Unsupported borrowing costs to fund transformational programme	0.6	Investment in ICT platforms and systems as approved within the capital programme. For example, AX payroll, CRM etc. This pressure reflects the revenue costs of borrowing the funding.
7	Children in Care – increased number of children looked after	0.7	To be kept under regular review. Indications are that current numbers are 'flat-lining'. However, actual referrals continue to increase and there are significant pressure points in areas such as independent sector placements and complex adoption and fostering cases.

8	Contingency Items	0.7	Increase from the previous revenue contingency of £0.5m. To be incorporated with other corporate pressure estimates to form a more holistic contingency reserve that will be drawn upon based on actual, (and proven), demand.
9	Utilities including street lighting energy costs	0.5	Costs for gas and electricity continue to escalate at a rate significantly above inflation. This allocation reflects a 12% uplift on the council's total spend of £4.2m per annum (of which £1.5m relates to street lighting). Invest to save initiatives to reduce energy spend will be costed as separate budget delivery plans.
10	Adult Social Care placements 2% inflation	1.4	External provider contracts have been frozen for the last two financial years. The MTFF allocation for 2013/14 reflects a 2% increase on existing contract commitments for both Adults and Children's care services.
11	Children's Services placements 2% inflation	0.2	
12	Staff salaries 1.5% inflation (in addition to existing provision)	0.8	2012/13 is year three of a pay freeze across all levels of the council. We are budgeting for a 1.5% increase for 2013/14 in line with many other councils. This allocation tops up the amount that we have already put aside within the 2012/13 budget to facilitate a 1.5% increase.
TOTAL:		8.9	

PLYMOUTH CITY COUNCIL

Subject:	Council Tax Support Scheme
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Lowry
CMT Member:	Adam Broome (Director for Corporate Services)
Author:	Martine Collins (Strategic Manager Revs and Benefits)
Contact:	Tel: 01752 304118 email: martine.collins@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

To approve a localised Council Tax Support scheme to be adopted by January 2013 and fully implemented by April 2013.

Corporate Plan 2012-2015:

The Revenues and Benefits service significantly contributes to the inequalities agenda ensuring that the most vulnerable residents of Plymouth receive the appropriate benefit entitlement. There are also strong links into value for communities.

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

The Revenues and Benefits service undertook a major restructure in 2011/12 which reduced overall funding by c.£1m and fundamentally changed working practices. The Council administers Housing Benefit subsidy of c.£100m per annum and processes Council Tax Benefit of circa £22m

National funding provided to adopt a local Council Tax Support scheme is estimated as being £2.6m less than current spend levels for Plymouth. In addition, these spend levels are estimated to rise as the trend in benefits claimants is still increasing.

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

- An effective Revenues and Benefits service helps address inequalities through ensuring that vulnerable residents receive appropriate benefit entitlement.
 - The service undertakes annual benefit take up campaigns which are targeted to areas of greatest need.
-

Recommendations & Reasons for recommended action:

Cabinet recommend that Full Council approve a localised Council Tax Support, (CTS), scheme as detailed in this report.

Alternative options considered and reasons for recommended action:

The alternative to adopting a cost neutral local Council Tax Support scheme would be to fund the £2.6m estimated shortfall elsewhere in, already stretched, council revenue budgets. Given the council's financial position we have no option but to adopt a cost neutral local Council Tax Support scheme.

The national direction is to reduce reliance on the welfare state and allocate resources and effort into helping people return to work. Thereby, council resources should remain focussed on the 'growth' priority within the Corporate Plan as opposed to allocating resources to pass-ported shortfalls in Council Tax benefit.

Sign off:

Fin	DJN1213. 019	Leg	16250/ DVS.	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Malcolm Coe											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I Introduction

- 1.1 The Government has confirmed its intention to abolish the existing Council Tax Benefit (CTB) scheme from April 2013 and replace it with localised support for council tax.
- 1.2 Currently, low income households pay a reduced or, in some cases, nil amount of council tax through CTB. CTB provides means tested help to people on low incomes who have to pay council tax and currently operates as part of the wider housing benefit system.
- 1.3 The Local Government Finance Bill (December 2011) makes provision for the localisation of council tax by imposing a duty on local authorities to have a localised council tax reduction scheme adopted by 31 January 2013 to come into effect from 1 April 2013.
- 1.4 Funding for Council Tax Support (CTS) will no longer be met from annually managed expenditure which is demand led, but will be set through an upfront grant allocation for all billing and major precepting authorities.
- 1.5 Plymouth City Council spent circa £22m on Council Tax benefits in 2011/12. Indications are that national funding for the new localised scheme will be 10% less than current spend levels.
- 1.6 It is expected that the scheme will require further simplification over the coming years to ensure the scheme continues to be delivered with the grant funding levels and also to ensure continued reductions in administration costs.
- 1.7 The Government has confirmed its intention to protect pensioners from the cuts and will maintain national rules, regulations and eligibility rates that are broadly similar to those currently applied. When applying protection for pensioners, this translates to a real term reduction of circa 22% for working age benefit claimants.
- 1.8 Indicative figures are that the grant funding provided to PCC will be £2.6m short of current spend demand. This figure will not be confirmed until late December 2012.
- 1.9 It was agreed to go out to consultation in August 2012 on a localised CTS scheme which aimed to:
 - To deliver a scheme within the expected funding levels being cost neutral so as to minimise any additional financial risk or burden to the Council
 - To ensure that the Council adheres to the legislative requirements for designing, consulting upon and implementing a Council Tax Support scheme for 2013-14.
 - To design a scheme that ensures savings are fairly apportioned across various groups.
- 1.10 This report recommends a formal Council Tax Support scheme for adoption by January 2013. Failure to meet the deadline for the adoption of a scheme by 31st January 2013 will result in the Government imposing a default scheme. The default scheme replicated the current benefit system and will result in additional financial pressures for the authority.

2 Rationale supporting the scheme recommended for PCC

- 2.1 The scheme has been designed to deliver a localised scheme within the anticipated grant funding levels. The expected funding shortfall against current spend is £2.6m. This funding gap will grow if the current trend of more people requiring benefit support continues (as future funding will be on a fixed grant basis).
- 2.2 If the Council increases the amount of Council Tax each year, the gap between Council Tax to be paid and the fixed grant will increase.
- 2.3 Any funding shortfall would have to be rectified elsewhere within PCC revenue budgets. Future year budgets are already extremely challenging due to wide-scale reductions in public sector funding.
- 2.4 In February 2012 Plymouth began working with the Devon authorities with the intention of developing a Devon-wide framework for a CTS scheme for working age customers. The group has representation from each Unitary Council, District Councils, Devon County Council and the Fire and Police authorities.
- 2.5 This Devon-wide framework considered differing options for delivering a scheme within the funding levels. Modelling showed that reducing the overall amount of award that is currently given was the only option that delivered this. This resulted in a 20% to 30% global reduction for all working age claimants.
- 2.6 In November the government issued further guidance offering transitional grant funding for councils who adopt local schemes that limit reductions to benefit support to 8.5%. PCC, along with other Devon authorities, have modelled the impact of adopting this approach. The transitional funding would only cover approximately £500k of the required funding shortfall of £2.6m. In addition, the transitional grant is only secured for one year which would result in a further revenue budget pressure for 2014/15 and beyond.
- 2.7 A letter to the Local Government Association has been sent on behalf of all of the Leaders of Devon authorities voicing their displeasure of the temporary nature of the recently announced transitional grant arrangements and how it contradicts local accountability. This letter requests that the £100m funding made available nationally is made permanent (rather than for one year) and added to the funding levels.
- 2.8 Indications are that only two District Councils in Devon that are considering taking up the government's transitional grant offer. In both cases, the housing stock portfolio of these authorities is significantly different to that of Plymouth. With the majority of our housing within the low council tax bands A and B, we have limited scope to claw back funding shortfalls on Council Tax Benefit through using discretionary powers on more affluent properties.
- 2.9 The central government drive is to encourage people back into work and place less reliance on the welfare state. By implementing a cost neutral localised Council Tax Support scheme we can ensure that the benefits that we administer are affordable within the revenue resources available. At the same time the Council should place attention and resources on supporting work opportunities in the local economy and ultimately reduce financial dependency on benefits (as opposed to funding the Council Tax Benefit shortfall).

3 Consultation

- 3.1 Public consultation on the Devon-wide scheme ran from 6th August 2012 to 5th October 2012. The objectives of the consultation were:
- To gauge the level of support for the proposed changes to council tax benefits scheme.
 - To include customer feedback into the development of the scheme.
- 3.2 Responses to the consultation were mainly from those currently in receipt of Council Tax Benefit. Whilst most were not in favour of the level of reduction proposed, there was an acknowledgement by many respondents of the requirement to pay something towards their Council Tax.
- 3.3 A number of responses from those with disabilities expressed concern about their ability to pay Council Tax. The proposed exceptional hardship fund will be used to support the most vulnerable customers. The scheme will continue to disregard additional income received by those with disabilities such as Disability Living Allowance, which will provide them with a continued element of protection from the reductions.
- 3.4 There was strong agreement in favour of an exceptional hardship fund to support those most in need.
- 3.5 The scheme has been revised to take into account the residents responses, whilst also taking into account the need to fund the overall Council Tax Support scheme within the grant funding levels.

4 Recommended Council Tax Support scheme for Plymouth City Council

- 4.1 Council Tax Benefit provided to people of pensionable age will be protected under the current national Council Tax benefit framework.
- 4.2 Single Person Council Tax discount will not change as part of the Council Tax Benefit reforms.
- 4.3 Plymouth currently has 184 war widow/widowers/veterans i.e. those in receipt of war disablement pensions, war widows and war widowers pensions, of which 109 are of pensionable age. We propose to continue to disregard War Disablement Pension or War Widows/Widowers payments from the calculation of Council Tax Support under the provision of s.139 of the Social security Administration Act 1992. This is currently provided under the Council Tax Benefit statutory scheme.

The maximum amount that war widows, widowers and veterans in receipt of war disablement pensions currently receive will be subject to the overall reduction, however the pension will continue to be disregarded in line with the current scheme.

- 4.3 Following consultation, we propose to reduce the proposed 30% blanket reduction across all working age claimants to 25%. This will deliver a scheme with the indicative grant funding level and also provide a contingency of £500,000 (subject to confirmation of final funding levels).

- 4.4 Following consultation we propose to increase the savings level at which claimants would not be entitled to Council tax Support from £3,000 to £6,000. The current limit is £16,000 and this change will generate approximately £76,000 additional revenue per year.
- 4.5 Following consultation we propose to increase the maximum band level at which council tax support will be paid from Band D to Band E. Properties in band E or above will qualify for maximum support at band E levels only. This will generate approximately £5,000 per year.
- 4.6 Recommendations detailed in paragraph 4.5 are aimed at optimising the council's discretionary ability to direct Council Tax charges to those who are more able to pay. Other, more affluent areas, for example with a higher proportion of band E to H properties, would have greater flexibility to address funding shortfalls through such discretionary proposals.
- 4.7 Following consultation it is recommended that £100,000 of the £500,000 anticipated contingency outlined in 4.3 is used to create an exceptional hardship fund that can be used to provide additional council tax support for vulnerable clients facing extreme hardship
- 4.8 It is recommended that the remaining £400,000 is set aside as a contingency to fund the shortfall in Council Tax Support brought about by an estimated increase in service demand.

5 Summary

- 5.1 The Cabinet is asked to recommend that Council approve the proposed Council Tax Support scheme as detailed below:
- Council Tax Support for people of pensionable age will be subject to national regulations and will not change
 - The current local scheme to disregard war disablement pensions for war widows, widowers and veterans will not change, however they will be subject to the 25% reduction in the scheme.
 - Reduce the current level of support by 25% across the board and not the full 30% blanket reduction across all working age Council Tax Benefit claimants. This is subject to final grant funding levels. This is a reduction in the level of cuts proposed in the consultation with residents.
 - Households in bands E and above will be subject to a maximum level of support at band E level only. This has increased from the consultation with residents which proposed a maximum Band D level.
 - Individuals with savings of up to £6,000 will qualify for Council Tax Support. This has increased from the consulted proposal where those with £3,000 savings or more would not qualify.
 - Set up an exceptional hardship fund worth £100,000 to support those who are most vulnerable.
 - Set aside the £400,000 as a contingency for future increases in demand.

PLYMOUTH CITY COUNCIL

Subject:	Council Tax Technical Reforms
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Lowry
CMT Member:	Adam Broome (Director for Corporate Services)
Author:	Martine Collins (Strategic Manager Revs and Benefits)
Contact:	Tel: 01752 304118 email: martine.collins@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

To seek approval for changes to current Council Tax exemptions in preparation for main billing in April 2013.

Corporate Plan 2012-2015:

The Revenues and Benefits service significantly contributes to the inequalities agenda ensuring that the most vulnerable residents of Plymouth receive the appropriate benefit entitlement.

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

National Welfare reform changes will place additional pressures on Council Tax collection which is estimated at £1m less than current collection. The proposed recommendations will provide more opportunity for local authorities to set council tax levels more appropriately for its citizens by relieving the burden of council tax in relation to second homes and empty properties where the authority feels that properties receiving this relief do not merit it.

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

- An effective Revenues and Benefits service helps address inequalities through ensuring that those able to pay Council Tax contribute appropriately to relieve the overall Council Tax burden.

Recommendations & Reasons for recommended action:

It is recommended that Cabinet recommend to Full Council to:

- Remove the current 10% discount on second homes and charge the full Council Tax
- Charge 50% Council Tax for properties undergoing major repair for as long as the property remains in that state up to the maximum period of 1 year
- Reduce the 100% discount on empty and unfurnished properties from 6 months to 1 month
- Charge a 50% premium on homes that have been empty for more than 2 years, taking the total Council Tax due to 150%.

Alternative options considered and reasons for recommended action:

The alternative to adopting the changes would be to leave all discounts and exemptions as they are currently.

Background papers:

None

Sign off:

Fin	DJN1 213.0 14	Leg	TH0 063	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Malcolm Coe											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I Introduction

- 1.1 The proposals for technical reform to Council Tax are set against a backdrop of the Governments agenda for decentralisation and localism. The aim is to redistribute power and funding from Government to local people to deliver what they want for their communities.
- 1.2 As a local tax, Council Tax forms part of the Governments agenda and the changes proposed seek to provide greater flexibility to local authorities whilst allowing them to manage pressures on council tax.
- 1.3 The Government's aim is that the changes to legislation will come into effect for 2013-2014 and subsequent years.
- 1.4 The rationale for the changes is given as:
 - Tight local government finance settlements for the next few years as the fiscal deficit is tackled
 - To address some technical issues that have arisen in recent years.
- 1.5 The changes being proposed are:
 - Giving billing authorities power to charge up to full council tax on second homes
 - Replacing the exemptions for dwellings undergoing major repair (Class A) and empty and unfurnished properties (Class C) with discounts, the amount of which would be for billing authorities to determine
 - Allowing billing authorities to charge an 'empty homes premium' in respect of dwellings which have been left empty for 2 years or more
 - Retain the default position that payment of Council Tax by instalments will be over ten months but to grant tax payers with a legal right to pay by twelve months if they request it.
 - Allowing authorities to publish online the 'information to be supplied with demand notices' but with a duty to supply it in hardcopy to any council tax payer requesting it, as an efficiency measure, and to encourage the take up of electronic billing
 - Changes to eliminate potential tax complications from arrangements involving third party suppliers where solar panels are placed on the roofs of dwellings without coming into the paramount control of the resident

2 Second Homes

- 2.1 Currently Councils can choose to charge between 50% to 90% of the full Council Tax from the date the property becomes empty. Plymouth currently charges the full available council tax of 90%.
- 2.2 The Government has stated its intention to extend the range of discount available to local authorities to allow them to charge the full 100% Council Tax on second homes. Second home properties are those that are unoccupied but remain furnished. The proposed change would place the properties on the same basis as normal homes for Council Tax.
- 2.3 During 2011/2012 Plymouth had 2483 second homes. It is recommended that Plymouth maximises income and levies the full Council Tax on second homes. See Appendix A for table of discounts and estimated income.

3 Empty Dwellings undergoing major repair (Class A exemption)

- 3.1 Dwellings that are subject to major repair currently attract a 100% exemption from Council Tax for up to 1 year. There is currently no scope for billing authorities to use discretion about what is reasonable in terms of foregoing council tax in respect of such properties.
- 3.2 The Government proposes to abolish Class A exemption and replace it with a discount which authorities have discretion to set at 100% or any lower percentage which seems reasonable having regard to local circumstances.
- 3.3 The Government has stated that there is to be no local discretion in the maximum period for which a property undergoing major repair receives a discount. Therefore properties who satisfy the criteria will continue to attract whatever discount the authority determines for as long as it remains in that state, up to a maximum of one year.
- 3.4 It is reasonable that Council Tax payers should get some relief in respect of vacant dwellings that are for a time uninhabitable when undergoing major repair in order to support regeneration.
- 3.5 During 2011/2012 Plymouth had 439 dwellings subject to Class A exemption with an average exemption period of 257 days.
- 3.6 Council Tax is based around a 50% property and 50% personal tax. Whilst dwellings undergoing major repair are likely to be uninhabitable, the dwelling remains recognised as a property for valuation purposes.
- 3.7 Modelling work has been carried out to consider both a 50% and a 75% charge. A 50% charge carries a maximum income of £243,000 (assuming 100% collection). A 75% charge carries a maximum income of £364,500 (assuming 100% collection).
- 3.8 Evaluation of other authorities has shown that the majority are recommending either a 50% charge or no change from the current levels. If Plymouth were to consider a 75% charge there is a possibility that it could discourage the regeneration of properties. It is therefore recommended that a maximum charge of 50% (50% discount) be applied for as long as the property remains in that state up to the maximum period of 1 year. See appendix A for table of discounts and estimated income.

3 Vacant Dwellings (Class C exemption)

- 4.1 Dwellings which become empty and are unfurnished currently attract a 100% exempt from Council Tax for up to 6 months. There is currently no scope for authorities to use discretion about what is reasonable in terms of foregoing Council Tax in respect of such properties.
- 4.2 The Government proposes to abolish the Class C exemption and replace it with a discount which authorities have discretion to set at 100% or any lower percentage which seems reasonable having regard to local circumstances.
- 4.3 During 2011/2012 Plymouth had 10,128 dwellings subject to a Class C exemption of which 5,602 were exempt for a period of more than 30 days.

- 4.4 The main reasons that properties remain empty are due to sales or between lettings. To support bringing empty properties into occupation and minimise the periods for which properties remain empty it is recommended that a 100% exemption be given for a period of one month after which the full Council Tax charge will become due. See appendix A for table of discounts and estimated income.

5 Empty Homes Premium

- 5.1 Dwellings that have remained empty for long periods such as 2 years or more are not currently subject to any special conditions and currently attract the full 100% Council Tax charge.
- 5.2 The Government proposes to allow authorities to charge a premium of up to 50% for an indefinite period on properties empty for 2 years. The aim of this change is to help bring long term empty dwellings back into use. The maximum Council Tax charge for long term empty properties would be 150%.
- 5.3 During 2011/2012 Plymouth had 708 dwellings that were unoccupied for 2 years or longer.
- 5.4 A number of caveats are currently being considered by the Government which will take dwellings out of the premium scheme. These include:
- A dwelling which is genuinely on the market for sale or letting
 - A dwelling which is the sole or main residence of a member of the armed forces, who is absent from the property as a result of the service
 - An annex deemed unoccupied because it is being treated by the occupier of the main dwelling, as part of that main dwelling
- 5.5 It is possible that a number of dwellings could be excluded from the premium on this basis. Until more clarity is provided by Government, no income has currently been assumed for this change.
- 5.6 To encourage bringing empty properties back into use it is recommended that the full premium 50% be applied to dwellings that will still meet the criteria for long term empty.

6 Other Technical Changes

- 6.1 From April 2013 Council Tax payers will have a legal right to pay Council Tax by 12 instalments. The default position will remain at 10 months unless the customer requests a change to 12.
- 6.2 Authorities will now be able to discharge their duty to provide the information currently supplied with demand notices by publishing the information on-line, with the exception of information relating to penalty charges, and subject to the right of any resident to request a hard copy.
- 6.3 Domestic scale solar photovoltaic installations (capacity limit 10kW) on domestic properties under the paramount control of a third party provider will be treated as part of those properties and therefore will not be liable for business rates.

7. Student Exemptions (Class N) – local practice

- 7.1 Currently student properties are subject to a 100% exemption where the properties are occupied solely by students.
- 7.2 As a local practice and that of many authorities, Plymouth currently applies the exemption for a total 12 month period to all student dwellings. Analysis has shown that 3000 dwellings receive the exemption and during the 3 month summer period this costs £892k.
- 7.3 Investigation into the viability of removing the exemption for the summer period has shown that we are unable to identify dwellings where students remain resident, or where they have paid a retainer. In these instances the exemption would still apply.
- 7.4 Work is currently underway to look at the best approach to maximising income for empty student properties over the summer period.

8 Summary

- 8.1 The proposed recommendations will provide more opportunity for Plymouth to set council tax levels more appropriately for its citizens. The changes will support hard working families and pensioners by relieving the burden of Council Tax in relation to second homes and empty properties where the authority feels that properties receiving this relief do not merit it.
- 8.2 Final regulations have yet to be set and therefore the flexibility of the changes could be subject to change.
- 8.3 Caution should be given to collection of additional income based on the possibility of further changes to regulations and potential collection complexities in some areas.
- 8.4 The City Council is recommended to approve the proposed changes to Council Tax as detailed in this report.

Appendix A

Recommended changes and estimated income

Exemption Type	No of dwellings	Current Exemption	Current Value	Proposed discounts	Est. value	Est. collection 70%
	2011/12	%	£	%	£	£
Class A Properties undergoing major work	439	100% For 12 months	-486k	50% (12 months)	243k	170k
Class C Empty and unfurnished	10128	100% For 6 months	-1.8m	100% (1 month only)	1.1m	750k
Second Homes	2483	10%	-176k	0%	176k	123k
				Total estimated collection		1043m*

*These figures are estimations and dependent on final regulations being agreed by Government and collection ability.

This page is intentionally left blank

PLYMOUTH CITY COUNCIL

Subject:	Child Poverty Strategy 2013-2016: Consultation Draft
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Penberthy
CMT Member:	Carole Burgoyne (Director for People)
Author:	Candice Sainsbury, Senior Policy, Performance and Partnerships Adviser
Contact:	Tel: 01752 307387 Email: candice.sainsbury@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

This paper presents Plymouth's draft Child Poverty Strategy for consultation during December 2012 and January 2013. The accompanying engagement and consultation plan (Annexe 1) demonstrates how the strategy and action plan will be developed with full and inclusive involvement from stakeholders and the local community. The strategy development process was endorsed by Cabinet on 11th September 2012 and is being led by the Cross Party Child Poverty Working Group.

In 1999, the Government made a commitment to end child poverty by 2020. The Child Poverty Act was published in 2010 to deliver on this and places a number of duties on Local Authorities and other local delivery partners to work together to tackle child poverty. These include the development of a local Child Poverty Needs Assessment and Joint Child Poverty Strategy which sets out the measures partners propose to take for the purpose of reducing and mitigating the effects of child poverty. The Act also requires local authorities to take their responsibilities to tackle child poverty into account when preparing or revising their Sustainable Community Strategy.

Child Poverty in Plymouth is being taken seriously. Tacking inequalities is a shared priority for Plymouth City Council and its partners of which child poverty is a key outcome measure for which there is collective responsibility across all partners. Plymouth City Council has also acknowledged the need to develop a child poverty action plan as one of its priority commitments laid out in its Corporate Plan. As part of the Joint Strategic Needs Assessment, a comprehensive child poverty needs assessment has now been completed to establish the local picture of child poverty and develop a clear understanding of the extent and nature of the local problem.

This is an opportune time to develop a local strategy for child poverty in Plymouth amidst immense change and upheaval for many of our poorest households. The Welfare Reform Act 2012 has introduced fundamental changes to the way welfare assistance is provided including changes to Tax Credits and the Local Housing Allowance. This comes at a time when the rising cost of living is already having an impact on income across the socio-economic spectrum with many people facing redundancy or finding their work hours reduced. Within such a challenging environment, the development of a meaningful set of

indicators with clear targets will be essential to monitor our progress in tackling child poverty and to measure the impact of activities included in the child poverty action plan.

Development of a local child poverty strategy seeks to recognise and provide greater visibility and accountability that tackling child poverty is everyone's business. While currently a stand-alone document it will ultimately become a corner stone for the upcoming Plymouth Plan, due in 2015, which will lay out the integrated and holistic long term plan for the city up to 2031.

The draft Child Poverty Strategy outlines Plymouth City Council's proposed approach to tackling child poverty over the next three years. It has been developed based on a comprehensive child poverty needs assessment and incorporates feedback from a child poverty strategy kick start event on the 15th October 2012. The final needs assessment has now been published and is available on the Council's website [Plymouth City Council - Child Poverty](#).

The strategy seeks to reflect a 'whole family' approach and address the causes and effects of child poverty on children and families both now and in the future. It will not duplicate but reinforce existing and upcoming plans and activities while highlighting key gaps in service provision and/or areas of underperformance.

Tackling child poverty effectively will require a concerted and unified approach. To achieve our desired impact, this strategy needs to enable services and agencies to collectively understand how they can contribute to reducing levels of child poverty, both in the short and longer term.

Corporate Plan 2012-2015:

The Council has committed to developing ways of effectively addressing child poverty as part of its overarching commitment to becoming a Co-operative Council.

Tackling child poverty is identified as a level 1 performance indicator within the Corporate Plan which supports the delivery of one of the city and Council's four priorities – reducing inequalities.

Reducing child poverty is considered as integral to addressing medium term issues to address the financial and external challenges faced by the Council and to move forward on its long-term vision and priorities. It is identified as an area where it is critical that we work successfully across the whole council and city partnership.

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

Effective delivery of the child poverty strategy is highly dependent on having a comprehensive understanding of how resources are currently being commissioned against child poverty outcomes. In addition the strategy will identify areas and opportunities where further pooling and alignment of resources may be required around common outcomes, for example within the early intervention and prevention strategy commissioning processes.

For existing plans and strategies, it is expected that commissioning of services to support child poverty outcomes will take place based on agreed priorities within approved budgets and resources.

The child poverty strategy development process will be resourced within the Chief Executive's budget including workshops, consultation and small numbers of the final strategy being printed.

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

An Equality Impact Assessment will be undertaken to identify if the strategy or action plan will have any negative impact on any of the protected characteristics. If this is found to be the case then further work will need to be carried out to mitigate as far as possible the issues identified. The assessment will take place once the documents have been published for public consultation.

The result of this assessment will be used by the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic. A 'protected characteristic' is defined in the Act as age; disability; gender reassignment; pregnancy and maternity; race; (including ethnic or national origins, colour or nationality) religion or belief; sex; and sexual orientation.

The primary risk of not addressing child poverty is that the numbers of children, young people and parents affected across the city will continue to rise during a time of austerity, rising unemployment and significant welfare reforms that are estimated to affect 20% of Plymouth's population. Such increases in child poverty levels will have a negative impact across the city, in terms of meeting our key performance indicators, additional pressures on already stretched service areas and a lower quality of life for our families.

Inter-generational child poverty represents a deeply rooted social problem that is not easily resolved and requires sustained efforts by agencies and partners as well as within communities themselves to effectively break this cycle. To this end, it is essential that the strategy engage in a child focused approach that mitigates the effects of poverty while simultaneously meeting the needs of parents to provide the best for their children.

Operational risks focus on Council and partner services not joining up to maximise available resources to effect positive change against child poverty outcomes.

Recommendations & Reasons for recommended action:

Cabinet are asked to:

- Agree the draft Child Poverty Strategy as the basis for consultation in December 2012 and January 2013.
- Agree the approach for engaging and consulting with citywide stakeholders throughout December 2012 and January 2013 as set out in Annexe 1.

Alternative options considered and reasons for recommended action:

Under the Child Poverty Act 2010 it is a statutory requirement for Local Authorities to develop and publish a local joint child poverty needs assessment and strategy.

Background papers:

- The Child Poverty Needs Assessment can be found at [Plymouth City Council - Child Poverty](#).
- [Child Poverty Act 2010](#)

- National Child Poverty Strategy 2011

Sign off:

Fin	SA-CXF PC1213 001-20- 11-2012	Leg	1541 5	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Pam Marsden											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I. CHILD POVERTY MATTERS

I.1 INTRODUCTION

Poverty can be such a destructive force because of its long-term grip on families and communities, holding them back generation after generation. The disadvantages and barriers that parents experience are the source of this long-term impact. These barriers have a detrimental effect on children's progression and well-being, which can impact right through into their adulthood, in turn affecting the subsequent generation. The way that disadvantage perpetuates is shaped by the experiences, attainment and outcomes of children growing up in socio-economic disadvantage and by the way that negative parental activities experienced through childhood may repeat in adulthood¹

- I.1.1 Child poverty matters because it means children suffer both now and in the future.
- I.1.2 While essentially a result of poverty in families, child poverty is not simply due to lack of money in the family. It is the outcome of economic, environmental and social factors that can damage a child's development and limit or prevent children and young people from having many of the experiences and opportunities that others take for granted². Many children living in poverty have an unequal start in life and will become part of a perpetual cycle where they are less likely to achieve their academic potential or secure a job as an adult. They are also more likely to experience a range of health inequalities throughout their lives.
- I.1.3 The most recently available national data shows that families earning less than £214 per week are classed as living in poverty. In Plymouth this equates to 11,700 children, of which 10,380 are aged under-16.
- I.1.4 Helping children overcome poverty will make a huge difference not only to their lives but to the lives of their families, communities and to society as a whole. Ending child poverty means tackling a wide range of complex issues to improve children's chances in life and empowering families to move themselves out of poverty for good.

I.2 PLYMOUTH'S COMMITMENT TO TACKLING CHILD POVERTY

- I.2.1 In 1999, the Government made a commitment to end child poverty by 2020. The Child Poverty Act was published in 2010 to deliver on this and places a number of duties on Local Authorities and other local delivery partners to work together to tackle child poverty. These include the development of a local Child Poverty Needs Assessment and Joint Child Poverty Strategy which sets out the measures partners propose to take for the purpose of reducing and mitigating the effects of child poverty. The Act also requires local authorities to take their responsibilities to tackle child poverty into account when preparing or revising their Sustainable Community Strategy.
- I.2.2 Child Poverty in Plymouth is being taken seriously. Tackling inequalities is a shared priority for Plymouth City Council and its partners of which child poverty is a key outcome measure for which there is collective responsibility across all partners. Plymouth City Council has also acknowledged the need to develop a child poverty action plan as one of its priority commitments laid out in its Corporate Plan. As part of the Joint Strategic Needs Assessment, a comprehensive needs assessment has also been completed to establish the local picture of child poverty and develop a clear understanding of the extent and nature of the local problem.

¹ Allen, G (2011) 'Early Intervention: the next steps' An Independent Report to Her Majesty's Government.

² Definition taken from the Plymouth Children and Young People's Plan 2011-2014

1.3 CREATING THE RIGHT ENVIRONMENT TO TACKLE CHILD POVERTY

- 1.3.1 This is an opportune time to develop a local strategy for child poverty in Plymouth amidst immense change and upheaval for many of our poorest households. The Welfare Reform Act 2012 has introduced fundamental changes to the way welfare assistance is provided including changes to Tax Credits and the Local Housing Allowance. This comes at a time when the rising cost of living is already having an impact on income across the socio-economic spectrum with many people facing redundancy or finding their work hours reduced.
- 1.3.2 Plymouth is not being reticent in how it works with its most vulnerable families and much work is already taking place under the auspices of, for example, the Prevention and Early Intervention Strategy 2012-2015, Children and Young People's Plan 2011-14 and the Housing Plan 2012-2017.
- 1.3.3 The challenge remains however as to how we ensure that desired outcomes and collective efforts are joined up to ensure maximum effect for our poorest families and their children.
- 1.3.4 The upcoming Plymouth Plan, expected in 2015, aims to lay out the integrated and holistic long term plan for the city up to 2031. This will include plans to sustainably address societal problems such as inequality, deprivation and poverty, all of which will severely hamper the city's ability to grow and prosper in line with its aspirations. The vicious circle of poverty, including child poverty, affects not just individual families but society as a whole and needs to be addressed as such.
- 1.3.5 The Plymouth Plan will ultimately embrace and reflect some of the city's most important plans and strategies including but not limited to the Local Development Framework Core Strategy, Sustainable Community Strategy, Health and Wellbeing Strategy and Transport Strategy.

"The Plymouth Plan will be a strategic document that encompasses the whole of the city, as well as considering the city within its sub-regional and wider context. It will set out a vision and path to improvement, providing strategic policies to guide future change. It will include both a 'bottom up' and 'top down' approach, so as to provide a context for improving the city's neighbourhoods as well as the city as a whole. It will be a plan for both people and place. It will set out how Plymouth's potential for long term sustainable growth, as well as its wider role as the economic hub of the far South West, can be delivered."

- 1.3.6 The local child poverty strategy, prior to its inclusion as part of the Plymouth Plan will ultimately serve to ensure that the need to address the economic, environmental and social factors that damage a child's life chances are entwined with delivering Plymouth's long term future.

1.4 A LOCAL APPROACH TO TACKLING CHILD POVERTY

- 1.4.1 Following a motion agreed at Full Council in July 2011, Plymouth City Council has made a firm commitment to tackling child poverty in the city and this is reflected in the Corporate Plan 2012-15.
- 1.4.2 Since 2010, the Plymouth Children and Young People's Trust has led the child poverty agenda as part of the Children and Young People's Plan 2011-14. Agreement was reached in August 2012 that Plymouth City Council, in line with its statutory duty to tackle child poverty and in acknowledgement that addressing child poverty is both an adult and child focused issue, is to lead this critical agenda, working closely with key partners and partnerships.
- 1.4.3 The Plymouth Children and Young People's Trust will continue to play a key role in advocating for children and young people with regards to child poverty.
- 1.4.4 The child poverty needs assessment has now been completed and provides a clear understanding of the extent and nature of child poverty in Plymouth on which to develop Plymouth's Child Poverty Strategy.

- 1.4.5 The child poverty needs assessment formed the basis for wider consultation about needs at a strategy kick start event held on the 15th October 2012 with key stakeholders in the city. Approximately 60 delegates attended the event from a cross section of the public, private and voluntary and community sectors. This included representation from health, the Police, Head Teachers, Citizen’s Advice Bureau, Jobcentre Plus, Careers South West and the Council.
- 1.4.6 The purpose of the Strategy Kick Start event was to:
- Agree the key findings and recommendations from the draft needs assessment as the basis on which to develop Plymouth’s child poverty strategy and;
 - Agree the broad strategic outcomes for tackling child poverty across the city.
- 1.4.7 The full Child Poverty Needs Assessment and feedback from the Strategy Kick Start can be found at [Plymouth City Council - Child Poverty](#).

1.5 NEXT STEPS – CONSULTING ON THE DRAFT CHILD POVERTY STRATEGY

- 1.5.1 This draft strategy has been developed based on the evidence provided by the Child Poverty Needs Assessment and feedback from the Strategy Kick Start event. This process has been overseen by the Child Poverty Cross Party Working Group.
- 1.5.2 Consultation and engagement on the draft strategy will take place throughout December 2012 and January 2013 and will align closely with consultation activity also underway for the Plymouth Plan.
- 1.5.3 The aims of the consultation are to:
- Raise the profile of child poverty in the city and advocate for increased ownership and engagement, thereby ensuring our approach to tackling child poverty is publicised, open and transparent.
 - Ensure that the views of key stakeholders, including members of the public are taken into account when preparing the final Child Poverty Strategy and accompanying Action Plan.
 - Ensure buy-in from key stakeholders and local communities to enable delivery of the Child Poverty Strategy and development of the accompanying Action Plan.
 - Identify innovative activities already taking place which are successfully helping to address Child Poverty.

1.6 KEY MILESTONES

MILESTONE	DATE
Draft strategy to Cabinet to initiate consultation	11 th December 2012
Launch consultation on draft strategy	12 th December 2012
End of consultation on draft strategy	31 st January 2013
Final strategy and action plan to Overview & Scrutiny Management Board	27 th February 2013
Final strategy and action plan to Cabinet	2 nd April 2013
Full Council debate	22 nd April 2013

2. PLYMOUTH CHILD POVERTY NEEDS ASSESSMENT – KEY FINDINGS AND IMPLICATIONS

This section presents the key findings from the Plymouth child poverty needs assessment, which aims to provide a clear understanding of the extent and nature of child poverty in Plymouth drawing on both quantitative and qualitative intelligence.

2.1 FINANCIAL SUPPORT AND INDEPENDENCE

Unemployment is widely considered to be one of the key drivers of poverty. As well as being a major source of income, work generally improves people's well-being and mental and physical health, with positive implications for their children³. The quality of employment rather than employment in itself is a key factor. Individuals can suffer recurrent poverty as they become caught in a low pay/no pay cycle caused by insecure low paid work. Jobs that are not of high quality in terms of pay, conditions, flexibility and sustainability will not break the poverty cycle and can be detrimental to health and well-being in the long-term.

It is recognised that for a significant number of people, employment is unlikely to provide them with an adequate household income. Recent successes in driving down child poverty show that supporting parental employment and subsidising low paid employment are effective in reducing poverty⁴.

It is more expensive to be poor! For example, people on low incomes often end up paying more for the services they need because they cannot access mainstream financial products. Households using a pre-payment gas or electric meter are more likely to be in fuel poverty than those using other payment methods⁵. Many families living in poverty live in areas where public transportation isn't readily available or affordable, and can't afford to own a car. Unmanageable personal debt can drive a cycle of poverty and distress that is very difficult for families to escape. It reduces household income available to spend, creates further pressures on parents and relationships, and in extreme cases has a significant impact on children's quality of life and life chances.

KEY FINDINGS

- One in five Plymouth children are living in poverty based on household income levels. There are areas of significant child poverty in the city – eight areas have child poverty rates in excess of 50%.
- While the majority of child poverty is located in the South West and North West of the city, there are growing pockets in more affluent parts of the city. As the majority of data predates the recession, actual levels of child poverty could be higher than reported in this needs assessment.
- Eight neighbourhoods have over 500 children living in workless families.
- Plymouth residents have a lower than average rate of pay and Plymouth has a high level of part-time workers.
- Overall, Plymouth has a lower qualified workforce, due in part to outward migration of people with higher qualifications in addition to a perceived lack of basic employability skills including literacy, numeracy and communication.
- While relatively stable, the rate of young people post 16 years not in education, employment or training remains a significant concern in light of increasing rates and distribution of youth unemployment.
- Nearly 70% of children in poverty in Plymouth live in lone parent families with Barne Barton having by far the highest rates.

³ Waddell, G and Burton, K (2006) 'Is Work Good for your Health and Well-Being?' The Stationery Office; Black, C (2008) 'Working for a healthier tomorrow: Dame Carol Black's Review of the health of Britain's working age population'

⁴ Ibid

⁵ Department for Energy and Climate Change (2011) Annual Report on Fuel Poverty Statistics. DECC, London. www.decc.gov.uk/assets/decc/Statistics/fuelpoverty/2181-annual-report-fuel-poverty-stats-2011. Pdf.

- There is concern over lower levels of accessibility via current transport links to key employment areas of Belliver, Estover and Langan for residents from deprived areas of the city.
- Welfare Reform changes are estimated to impact 20% of the city's population, and will disproportionately affect some of Plymouth's most vulnerable families. This will lead to growing difficulty to manage household finance within an already challenging economic climate which has seen the costs of living rise significantly. While more data is required to understand the level and types of household debt across the city, there are clear indications of a growing need for workless and low income households to manage increased financial pressures including payment of bills, credit cards, vulnerability to loan sharks and personal debt.

IMPLICATIONS

- In-work child poverty poses a significant risk to the city - the income based measure of child poverty, while a significant indicator of material deprivation does not capture a large number of in work low income families. Evidence suggests that such households now at an increased risk of child poverty fall just above the 60% median rate but are struggling following substantial changes to the welfare system and rising costs of living.
- The direction and scope of the future growth of Plymouth is intrinsically linked to the city's ability to sustainably reduce its numbers of children living in poverty. Key issues that will need to be addressed include the creation of higher paid and higher quality employment opportunities in line with regional and national averages, alongside a strengthening of efforts to raise the skills levels of adults and young people in line with what employers demand. This must include a focus on basic skills including literacy and numeracy alongside other employability skills. This will also provide additional opportunities for many parents to engage with their own children's learning for example reading books before bedtime and supporting their child with homework.
- The constant number of young people from the most deprived areas who are not in education, employment or training alongside worrying trends of youth unemployment must prompt much closer dialogue and agreement between schools, colleges of further education and employers to ensure that the emerging skill sets are matched with job availability and the needs of employers.
- Financial top ups for low income families in the past has succeeded in lifting a significant number of families out of poverty. For some families it is the difference between being able to heat the home or buy food. The reduction in household income following the introduction of structural welfare reforms is likely to have most impact on Plymouth's most vulnerable families – this will severely impede the city's ability to reduce its child poverty rates and action to mitigate such impact is urgently required. It will also be essential to ensure that joined-up advice and guidance can make a real difference and enable people living in poverty to navigate their way through understanding the new benefit entitlements.
- Quantitative and qualitative data point to a growing and worrying trend of out of work and in work low income families being less able to manage their finances. With upcoming changes in the payment of benefits along with rising living costs, this is likely to result in marked increase in demand for both debt and budget management advice services. Opportunities to reduce household costs for vulnerable families including energy bills and repayment of debt should be explored, for example expansion of credit bank facilities, programmes promote energy efficiency e.g. insulation, creation of local energy cooperatives and increased installation of water meters in most deprived areas.
- The child care sufficiency audit shows that parents are generally happy with the range and cost of childcare provided across the city, links with the growth agenda need to be more closely formed to ensure that any growth in the employment market, including training and education, are matched with accessible and affordable child care opportunities. The expansion of the free entitlement for disadvantaged 2 year olds will add a new pressure on existing childcare places. The need to secure sufficient childcare places for disadvantaged two year olds will become part of the Local Authority's statutory duties from September 2013. It has been identified that there will be a predicted shortfall of approximately 350 places in 2013 and a further 1350 from 2014 when the offer is extended to 40 % of all eligible two year olds in Plymouth.

- The areas of greatest concern within Plymouth are the lower levels of accessibility of city residents who can reach key employment areas of Belliver, Estover and Langage. Those residents living in the most deprived areas will find it takes more than 30 minutes with their journey often requiring a change of bus to reach these areas. Those who are employed in shift work with early morning starts or late night finishes are more disadvantaged as bus services are fewer and further between at these times. A triangulation of further research and planning is required to better understand the links between, but not limited to areas of employment and training, child care provision and public transport routes.
- Children in lone parent households are more likely to be in poverty than those in two parent households, accounting for 70% of all child poverty households. Strategies to tackle child poverty will need to take account of this group, for example supporting adequate childcare options and flexibility for those who wish to work.

2.2 FAMILY LIFE AND CHILDREN'S LIFE CHANCES

Parents living in poverty are much more likely to be facing a range of issues other than material deprivation which may affect their parenting. These include low levels of education and few qualifications, lack of access to jobs and services, isolation, mental/physical ill health and domestic violence.

With regards to achievement, the successes that individuals achieve during their adult life can be predicted by the level of cognitive and non-cognitive skills that children already possess on their first day at school.⁶ While the gap is slowly closing between attainment levels of those on free school meals and other children are smaller than in previous years⁷, children growing up in poorer families still emerge from school with substantially lower levels of educational attainment⁸.

The relationship between poverty and ill-health is bi-directional: poverty contributes to ill-health and ill-health contributes to poverty. There is a social gradient in health – the lower a person's social position, the worse his or her health. Children born into low-income households are more likely to experience health problems from birth and accumulate health risks as they grow older. In addition, they are less likely to access healthcare.

KEY FINDINGS

- There is a greater concentration of families with multiple and/or complex needs living in the most deprived areas of the city. Multiple and complex needs may include lone parents, disability, health problems, parenting problems or social isolation amongst others.
- There is a significant attainment gap at all levels, from early years foundation stage, Key Stage 2 (primary schools), Key Stage 4 (secondary school) and post 16 education, between those eligible for Free School Meals and those not. Research indicates that, without effective intervention, this trend is established at a very early age and continues with the child into adulthood.
- There are inequalities in life expectancy with life expectancy lower in more deprived areas. For example the average life expectancy for people in Devonport is nearly 13 years less than those in Chaddlewood.
- Despite improvements in recent years health outcomes for families in the most deprived areas of Plymouth are less positive than their more affluent neighbours with lower rates of breastfeeding (at birth), higher rates of teenage pregnancy, and higher rates of low birth weights, smoking and childhood obesity.

IMPLICATIONS

- Children living in poorer households are much more likely to face multiple family based issues both as a cause and as a result of poverty. There is a clear need for targeted, joined up support to be provided to these families but it is essential that such support be based on the needs of the family as a whole rather than the individual

⁶ Field, F. [The Foundation Years: preventing poor children becoming poor adults](#), 2010, HM Government

⁷ Aldridge, H. et al, [Monitoring Poverty and Social Exclusion 2011](#), 2011, Joseph Rowntree Foundation

⁸ Goodman, A. and Gregg, P., [Poorer children's educational attainment: How important are attitudes and behaviour?](#), 2010, Joseph Rowntree Foundation

members in isolation of each other. Ease of access to such support will be critical to what is often a disenfranchised and isolated group of families.

- Key areas to be addressed should include parental and child emotional wellbeing and mental health, domestic abuse, worklessness and skills, along with healthy lifestyle issues including alcohol misuse and smoking. The need to enable aspirations within such families will also play a key part in improving outcomes for these children. The current programme for prevention and early intervention addresses many of these concerns but service provision must not be limited to children and young people focused services only but should extend to services for adults, including health, as well as services aimed at improving housing, reducing worklessness and building adult skills. A real challenge in the current economic climate will be how to provide targeted support to those families at risk of poverty, who so often miss out on services and support that are diverted to meet more complex needs.
- While it has reduced in recent years, the significant gap in educational attainment at all levels, from early years through to post 16 education between children and young people in the least and most deprived areas of Plymouth contributes to an on-going cycle of poverty within families. It is essential that continued efforts both inside and outside the school environment are targeted towards children from the most deprived areas. Additional resources such as the Pupil Premium should be used to aid this process in collaboration with services that work alongside families in recognition of the importance of family life and relationships to enhance the learning experience of children and young people.
- There are profound and well established health inequalities across Plymouth. Health issues of concern with regards to children's outcomes include teenage pregnancy, low birth weight, breastfeeding, childhood obesity, smoking and mental health, all of which correlate directly with areas of highest deprivation.
- While interventions that target individual lifestyle behaviours can have limited impact, it is essential to also look at improving health status by addressing the social determinants of health, or the conditions in which people are born, grow, live, work and age. Using this approach, the health status of children and parents can be improved through factors such as education, employment, working conditions, housing along with good quality health care services.

2.3 COMMUNITIES AND NEIGHBOURHOODS

Neighbourhoods play an important role in the socialisation of children. Individuals judge their position in society in relation to their neighbours so growing up in a deprived neighbourhood often leads to lower aspirations. Young people may copy or learn antisocial behaviour from other people in the area so that poor behaviours are normalised. The poorer the neighbourhood, the more likely it is to have high rates of crime, poor air quality, lack of green spaces and safe places for children to play⁹.

Families living in poor housing are more likely to suffer from a range of health problems including poorer mental health and cognitive development as well as respiratory and stomach problems. Those growing up in the poorest households are more likely to suffer enduring physical and mental health problems in adulthood and have increased risk of severe, long-term and life-limiting illness. Children in these households are more likely than their more affluent peers to have difficulty in sleeping, studying or playing at home which can affect their health, their school lives and their social participation¹⁰.

⁹ Marmot, M (2010) 'Fair Society, Healthy Lives' p. 78

¹⁰ Hawthorne et al. (2003) 'Supporting children through family change.' Joseph Rowntree Foundation

KEY FINDINGS

- Plymouth has high levels of families with children living in overcrowded housing.
- The number of homeless families requiring temporary accommodation remains stubbornly high despite intervention to prevent this from happening.
- 33% of Plymouth's private sector stock across the city is old and considered non decent – this equates to around 30,000 private sector homes of which 9,500 are occupied by 'vulnerable' residents in receipt of qualifying benefits. There is not enough data at present to determine how many house families living in poverty.
- Social housing, located predominantly in the West of the city is often well maintained and more energy efficient than older private sector housing. The age, condition and tenure of private sector housing stock in Plymouth is of concern and may be impacting on the health of the most vulnerable families.
- Deprived neighbourhoods in the city are most likely to experience higher levels of crime, antisocial behaviour and domestic abuse. However patterns of youth offending across the city are less clear cut with less deprived areas seeing similar number of offenders as the more deprived areas.
- Further work needs to be undertaken to better understand how services currently target those groups considered more vulnerable to poverty and whether their needs have been fully considered in service planning.

IMPLICATIONS

- There are serious concerns about the numbers of families with children who are living in non- decent private sector housing. While not all will be considered as living in poverty, the waiting list for social housing remains substantial and with limited data available, assumptions must be made that a large proportion are living in the private rented sector. This may also account for the constant numbers of families presenting as homeless each month. That the majority of old housing stock in many deprived areas is social housing gives some level of assurance that these homes are better maintained.
- However, the issue of overcrowding cannot be resolved without an increased number of new and affordable homes being built that are able to house larger families in particular. However, the obstacles facing low income families from buying their own home will not be overcome in the current climate and innovative ways to enable poorer families to live in decent houses will need to be found in the short and long term.

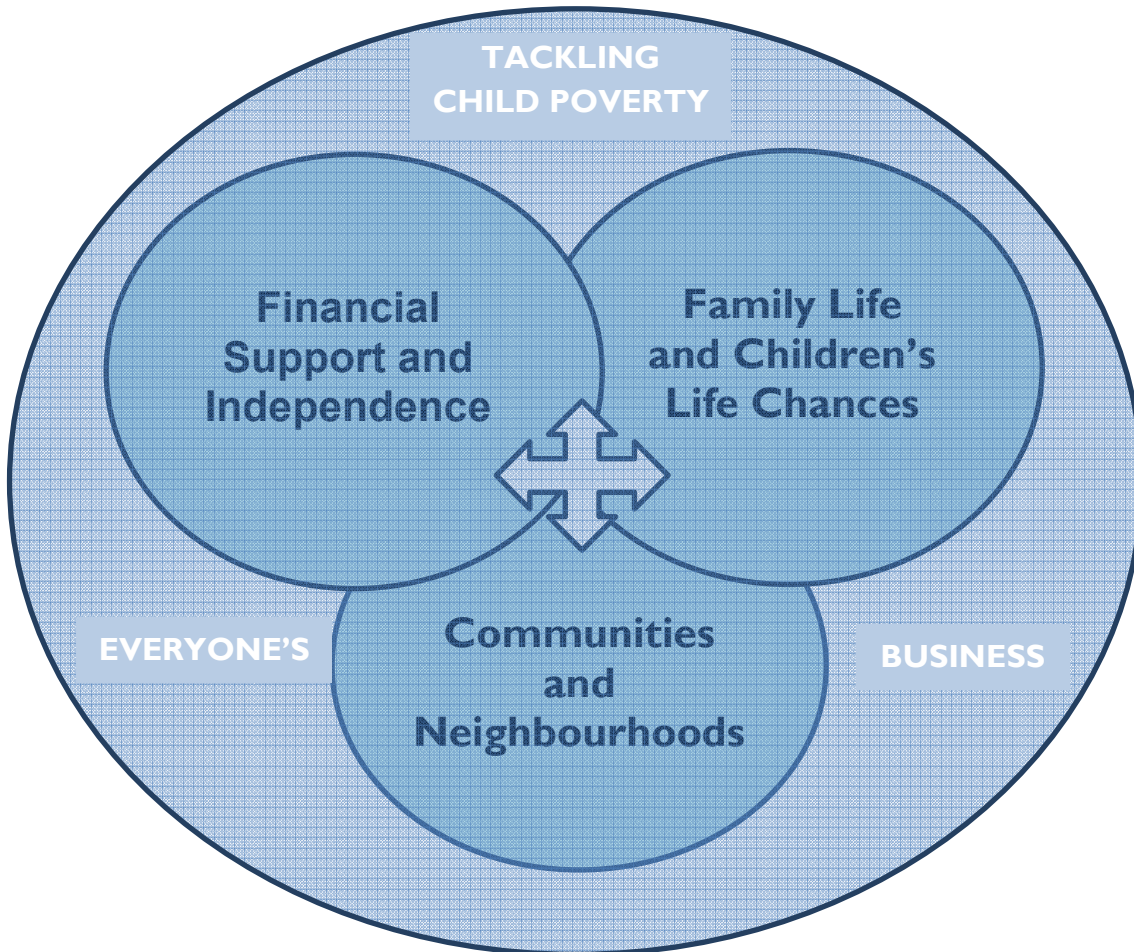
2.4 FURTHER RESEARCH

The needs assessment has highlighted some gaps in our knowledge around key areas such as; the impact of gambling on child poverty, understanding the challenges facing lone parents and better understanding the make-up and issues faced by families that are vulnerable to falling into poverty. In addition, there are some key local data gaps in the areas of transport, skills, mental health, smoking and key stage three educational attainment. There also remains a lack of up to date intelligence regarding the make-up of Plymouth's families – for example the types of family, size of family and family circumstances. These areas need further exploration following the full release of the most recent census data over the coming 12 months.

3. PLYMOUTH'S APPROACH TO TACKLING CHILD POVERTY

3.1 TACKLING CHILD POVERTY IS EVERYONE'S BUSINESS

- 3.1.1 This draft strategy aims to provide the overarching approach for how Plymouth aims to **reduce child poverty and mitigate its impact**.
- 3.1.2 At the heart of this overarching approach is the need to increase visibility and ownership of the child poverty agenda amongst key stakeholders, partner agencies and communities.
- 3.1.3 Our overall goal will contribute to achieving the city's vision to become one of Europe's finest most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone
- 3.1.4 Tackling child poverty is a complex issue that cannot be achieved with a single faceted approach. Responses to child poverty therefore need to be identified and organised in a way that makes sense of how child poverty impacts on the context of child, family, home & community without losing sight of the inter-relationships that exist between each.
- 3.1.5 This strategy will not by itself address all aspects of child poverty, but will look to direct attention to critical areas of need and where most impact can be made. There is already a significant amount of work being undertaken to address child poverty, and this strategy will seek to reinforce existing and upcoming plans and activities while also highlighting key gaps in service provision and/or areas of underperformance.
- 3.1.6 It is proposed to use three broad ranging themes originally used within the Child Poverty Needs Assessment to frame the city's strategic approach to tackling child poverty, as follows:



- 3.1.7 These strategic themes combine and build on two national frameworks designed to set out an overarching approach for the development of local strategies to address child poverty, and represent an understanding of the factors that have the largest and most direct impact on child poverty. These include the 'Building Blocks Framework'¹¹ developed by the Child Poverty Unit, alongside the framework outlined within the National Child Poverty Strategy: 'A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives'¹².
- 3.1.8 The underlying assumption is that to be effective, the city must focus attention on a combination of efforts to tackle child poverty, focusing on the family as a whole over the short, medium and long term.
- 3.1.9 The following section outlines some proposed objectives under each strategic theme and outcomes. The detailed child poverty action plan will then be developed that works alongside and feeds into other plans and strategies in support of our shared goal. This plan will take stock of existing activities to tackle child poverty, as well as identify where additional /future actions will need to be implemented in collaboration with other citywide plans and strategies. It is expected that some gaps in activity will be identified which will need to be collectively addressed.
- 3.1.10 The Child Poverty Strategy and accompanying action plan will ultimately form part of the Plymouth Plan in 2015.

¹¹ Child Poverty Needs Assessment Toolkit, Local Government Improvement and Development, 2010

¹² HM Government (2011) A new approach to child poverty: Tackling the causes of disadvantage and transforming families' lives

3.2 WHAT WE NEED TO FOCUS ATTENTION ON

This section will outline what we want to achieve, and in recognition that we are not starting from scratch, also provides some examples of existing plans and activities. The proposed areas of focus represent either a gap in current activity or an issue that requires strengthening in order to achieve our outcomes.

3.2.1 FINANCIAL SUPPORT AND INDEPENDENCE

WHAT WE WANT TO ACHIEVE

- More families in work that pays and have the support they need to progress
- Financial support that is responsive to families' situations

WHAT ALREADY EXISTS?

LOCAL ECONOMIC STRATEGY (LES)	The LES identifies the economic development priorities necessary to deliver a step change in economic growth to 2026. Its aspirations are to increase competitiveness, diversify knowledge, improve the skills base of the workforce, build sustainable, well connected and inclusive communities and intensify the overall business base of the city. This will in turn attract private investment, raise incomes and help tackle economic and social exclusion.
COMMUNITY ENERGY MUTUAL	Aims to generate efficient and renewable energy solutions in part to deliver cost efficiencies for residents and address fuel poverty.
PLAN FOR JOBS	The Plan for Jobs brings together the key actions and interventions necessary over the next two years to stimulate the city's economy and create jobs.
URBAN ENTERPRISE	Established in deprived areas to help create new businesses and promote self-employment, and promoting incubators for future jobs.
1000 CLUB	Campaign to encourage businesses to provide some form of work placement or employment to young people. Including work experience for school pupils.
COMMUNITY ECONOMIC DEVELOPMENT TRUST	Aims to support communities in the north west of the city to improve their access to employment opportunities.
LOCAL DEVELOPMENT FRAMEWORK (LDF) & LOCAL TRANSPORT PLAN (LTP)	The LDF provides the spatial planning framework for the development and growth of the city. Together with the LTP, it provides a strategic framework for the spatial development of the city.
FINANCIAL INCLUSION	A wide range of support is currently offered to help ensure a family's in-coming money is maximised, their out-goings are controlled and they can exercise informed choices through access to basic financial services. Key services include advice and information about benefit changes, citywide benefit take up campaigns, as well as problem debt and money advice, and strengthening credit union provision.

WHAT WE PROPOSE TO FOCUS ON:

- More, better paid, higher quality employment and enterprise opportunities to support parents and young people out of poverty.
- Ensure that parents and young people have the right skills to meet the needs of employers both now and in the future – this includes employability skills such as literacy, numeracy and communication skills.
- Address barriers to employment including access to training, affordable and flexible child care and affordable transport to work links.
- Support families to effectively manage their household finances including debt advice.
- Promote a fairer way for families on a low income to access household services including gas, electricity and banking.

3.2.2 FAMILY LIFE AND CHILDREN’S LIFE CHANCES

WHAT WE WANT TO ACHIEVE

- Ensure that poverty in childhood does not translate into poor experiences and outcomes

WHAT ALREADY EXISTS?

CHILDREN AND YOUNG PEOPLE’S PLAN 2011-2014	This plan outlines how partners across the Children and Young People’s Trust will work together to achieve better outcomes for children and young people under five priorities: i. Equip young people with skills, knowledge and opportunities to make a successful transition to adulthood, ii. Improve levels of achievement for all children and young people, iii. Tackle child poverty, iv. Provide all children with the best possible start to live, and v. Tackle risk taking behaviour through locality delivered services.
PREVENTION AND EARLY INTERVENTION STRATEGY	This strategy seeks to deliver Plymouth’s commitment to families and young people to make positive change to their lives together. It aims to reduce vulnerability and improve outcomes for children, young people and families by responding early to young people’s needs.
FAMILIES WITH A FUTURE PROGRAMME	Builds on successful multi agency, early intervention work with families to help deliver priorities such as reducing crime and anti-social behaviour, helping children stay in school and getting people back into work.
HEALTHY CHILD PROGRAMME	A public health programme for children, young people and families, which focuses on early intervention and prevention. Focuses on screening, immunisations, developmental reviews, information and guidance on parenting and healthy choices. Aims to identify families who need additional support or are at risk of poor health outcomes.
NARROWING THE GAP	Significant progress has been made in recent years within schools to narrow the gap in attainment between students in the most deprived and most affluent neighbourhoods. In addition, three new primary schools have been opened alongside the creation of a virtual school for children in care with their own virtual head teacher.
HEALTH AND WELLBEING STRATEGY (Due 2013)	This Joint Strategy will set out the overarching framework to address the health and wellbeing needs of Plymouth’s local communities and citizens. It will also act as a key driver for tackling health inequalities and improving health outcomes for individuals and communities.

WHAT WE PROPOSE TO FOCUS ON:

- Child poverty is not just about improving outcomes for the child: It is about improving outcomes for the adults in the family as well.
- Adult and child focused services must work more closely together to offer a range of support for families living in or at risk of poverty to address issues such as domestic abuse, parental drug and alcohol misuse and parental mental health;
- Greater focus on support that is pro-active and offering early intervention, including low income working families whose needs are often hidden.
- Continue tackling poor educational attainment at every stage of development for children in low income families: early years, school years and the transition to adulthood.
- Improving physical and mental health outcomes and reduce health inequalities across the city.
- Target services and support at those at greatest risk of child poverty including low income working families, lone parent families and larger families.

3.2.3 COMMUNITIES AND NEIGHBOURHOODS

WHAT WE WANT TO ACHIEVE

- Creating an environment that supports children to thrive

WHAT ALREADY EXISTS?

<p>HOUSING PLAN 2012-2017</p>	<p>This plan lays out the city’s housing ambition and priority objectives for developing, improving and investing in people’s homes, neighbourhoods and communities. It acknowledges that:</p> <ul style="list-style-type: none"> • New and improved housing supply of the right type and tenure will help the economic and physical regeneration of the city. • Improving housing standards to provide safe, secure, well designed, accessible and energy efficient homes can improve the health and wellbeing of all residents, and will, over time reduce health inequalities. • Access to good quality housing, at a price people can afford, will reduce inequality and provide the right environment in which children can thrive, get the best out of their education, and help adults get back into work. • Successful communities are achieved by working with residents to create a strong sense of place, where people feel safe, and have increased engagement and satisfaction in where they live.
<p>STRATEGIC ALCOHOL PLAN</p>	<p>Sets out how the city will minimise alcohol related harm and promote responsible drinking. Includes a focus on i. Changing knowledge, skills and attitudes towards alcohol, ii. Providing support for children, young people and parents in need, and iii. Creating safer drinking environments.</p>

WHAT WE PROPOSE TO FOCUS ON:

- Increase access to affordable, decent housing for poorer families currently living in substandard homes in the private rented sector.
- Working with communities to identify solutions to community needs such as access to services for domestic abuse, mental health and addressing anti-social behaviour.

4. CHILD POVERTY IS EVERYONE'S BUSINESS – DELIVERING THE STRATEGY

4.1 GOVERNANCE

- 4.1.1 Plans are currently being explored as to how to most effectively govern implementation of the Child Poverty Strategy and Action Plan with the aim of making child poverty everyone's business. Lessons learned are being collated from other Local Authorities and innovative models are being reviewed with a view to developing an approach that builds ownership and momentum for this agenda whilst ensuring accountability for the delivery of activities and outcomes. A final proposal will be presented to Plymouth City Council's Cabinet in March 2013.

4.2 CHILD POVERTY ACTION PLAN

- 4.2.1 The detailed child poverty action plan with established targets will accompany the final strategy. It will be developed as part of the consultation and engagement activities to be carried out during December 2012 and January 2013.

4.3 COSTING THE STRATEGY

- 4.3.1 Costing of the strategy and action plan is expected to commence in January 2013. Effective delivery of the child poverty strategy is highly dependent on having a comprehensive understanding of how resources are currently being commissioned against child poverty outcomes across Plymouth City Council and its partners. In addition the strategy will identify areas and opportunities where further pooling and alignment of resources may be required around common outcomes, for example within the early intervention and prevention strategy commissioning processes.
- 4.3.2 For existing plans and strategies, is it expected that commissioning of services to support child poverty outcomes will take place based on agreed priorities within approved budgets and resources.

4.3 MANAGING PERFORMANCE

- 4.3.1 The most well-known measure available at present for capturing relative low income poverty¹³ is 'the proportion of children living in families in receipt of out of work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60 per cent of median income'
- 4.3.2 Evidence shows that at below 60 per cent of the median income, material deprivation becomes a significant problem with families struggling to meet basic needs like food, heating, transport, clothing and the extra costs of schooling like equipment and trips.¹⁴ The links between material deprivation and living below 60% median income are strong and the correlation between poor outcome and children living on relatively low income is too strong to ignore.¹⁵
- 4.3.3 The problem with having a single finance based indicator for child poverty is that it cannot capture the complexities of the issue, as outlined in the Introduction. It is therefore proposed to develop a basket of meaningful indicators that would help to capture any impact on a broad range of factors contributing to child poverty locally, with some examples as follows:

Indicator Description			
Children's Life	Inequality gap in achievement by 19	Family Resource	Proportion of children in poverty
	Free School Meals/ Non Free School Meals achievement gap		Average earnings of employees in the area
	Special Educational Needs//non Special Educational		Time to process Housing Benefit/Council Tax

¹³ Child Poverty Act 2010 – defined by Her Majesty's Revenue and Customs, 2009 (formerly National Indicator 116)

¹⁴ Child Poverty Map of the UK, March 2011, Campaign to End Child Poverty

¹⁵ The importance of income in measuring and tackling child poverty, Save the Children, June 2012

Needs achievement gap	Family Circumstance	Benefit new claims
Proportion of children achieving the expected level of achievement		Proportion of households on waiting list for social housing
Under 18 conception rate		Amount of new affordable housing
Working age population qualified to at least Level 2		Working adults seeing mental health services
Percentage of live births under 2.5kg		Overall employment rate
Life expectancy at birth		Proportion of children in workless households
Proportion of obese / underweight children		Proportion of take up of child care by low income working families
Proportion of persistently absent children		Working age people with access to public transport
Rate of children in need per 1000 children		16-18yr old young people not in employment, education or training

- 4.3.4 This basket of indicators alongside clear targets will be developed at the same time as the child poverty action plan to enable the monitoring of overall progress of the Child Poverty Strategy.
- 4.3.5 The Government recently launched a public consultation on measuring child poverty which makes the case for a multidimensional measure of child poverty, potentially with a mix of ‘current poverty’ and ‘life chances’ type measures. While local targets will be established with the development of the Child Poverty Strategy, some of the indicators may change based on the outcome from the national consultation which is expected in Spring 2013.

ANNEXE I: ENGAGEMENT AND CONSULTATION PLAN

1. INTRODUCTION

- 1.1 Involving and consulting with the community is key to preparing and delivering an effective Child Poverty Strategy and Action Plan. Working in a coordinated way as an organisation and with our partners as part of a whole plan approach also makes sense when it comes to addressing a cross-cutting issue that affects everyone. Dovetailing with the Plymouth Plan is an obvious and sensible approach because it describes itself thus: “A plan for Plymouth can achieve the vision in an ambitious but realistic way, and is signed up and delivered by businesses, investors, the public sector and local communities”.

2. AIMS AND OBJECTIVES

- 2.1 This communications and consultation plan sets out the approach for consulting and engaging key stakeholders in the development and delivery of the Strategy and Action Plan.
- 2.2 The key aims of the consultation will be to:
- To support the delivery of the Plymouth Plan and its various themes, in particular: prosperity and affordability, local community, living and housing, health and care, education and learning, and getting around.
 - Raise the profile of child poverty in the city through effective communication and engagement, thereby ensuring our approach to tackling child poverty is publicised, open and transparent.
 - Ensure that the views of key stakeholders, including members of the public are taken into account as part of the developing the Child Poverty Strategy and Action Plan.
 - Ensure buy-in from key stakeholders and local communities to enable delivery of the Child Poverty Strategy and accompanying Action Plan.
- 2.3 To achieve these aims, the consultation will:
- Work with Elected Members and key stakeholders to agree the strategic vision and objectives for the Child Poverty Strategy and in so doing support the development and delivery of the Plymouth Plan.
 - Develop a detailed child poverty action plan based on full involvement and input from the local community and other key stakeholders.
 - Manage consultation resources efficiently by dovetailing where possible with consultation and engagement activities as part of the Plymouth Plan in a way that obtains the most useful comments.
 - Ensure that a wide range of people have the opportunity to get involved and are able to put forward their views and that these views are incorporated in so far as is practical and appropriate to do so.
 - Ensure that the consultation and community engagement activities and materials are fully accessible.
 - Ensure that feedback is provided in an effective way to those who participated.

3. OUTCOMES

- 3.1 It is intended that the communication and consultation with all stakeholders will bring about the following:
- A local Child Poverty Strategy and Action Plan which sets out the measures that contributing partners will undertake as part of a coordinated approach to reduce and mitigate the causes and effects of child poverty.
 - A local Child Poverty Strategy and Action Plan which is widely supported by all stakeholders as part of the Plymouth Plan as the city's approach to tackle this issue.
 - Acknowledgement and reinforcement of existing/upcoming plans and activities that address Child Poverty as part of the overall Action Plan.
 - Identification of gaps in service provision and/or areas of underperformance along with measures to address these.
 - A wide understanding of what Child Poverty is, how it affects families and what its causal factors are.

4. FOCUS

- 4.1 The consultation will focus on three main points:
- To confirm whether the draft strategy has adopted the right approach for the city to tackle Child Poverty.
 - To inform and build an action plan which underpins delivery of the Strategy.
 - To identify innovative activities already taking place which successfully help to address Child Poverty, and which can inspire other new projects and activities to develop and start.

5. KEY STAKEHOLDERS

- 5.1 A full and inclusive consultation will take place throughout December 2012 and January 2013. In order to achieve the outcomes highlighted above a wide range of stakeholders will be invited to take part in the consultation exercise; a detailed list of stakeholders has been identified. This list overleaf provides an overview of these key stakeholder groups:

Stakeholder/ Organisation	Interest	Method	Contact
Plymouth City Council – CMT/SMT	Strategic leads in delivery of parts of the Strategy	U-Create Twitter debates	Direct invitation by letter/email
Plymouth City Council – Identified officers	<ul style="list-style-type: none"> • Past involvement or respondents to development of the Needs Assessment or the kick start. • Potential involvement in delivery of parts of the Strategy or Action Plan. 	U-Create Twitter debates	Direct invitation by letter/email
Members	Democratically elected representatives of the city and its wards	U-Create Twitter debates	Direct invitation by letter/email

MPs	Democratically elected representatives of city's constituencies	U-Create Twitter debates	Direct invitation by letter/email
Strategic Partnerships: <ul style="list-style-type: none"> • Children's Trust Executive • Safe and Strong / Community Safety Partnership • Culture Board • Growth Board • Health & Wellbeing Board • Plymouth Better Together • Plymouth Safeguarding Children's Board • Regional partnerships e.g. Local Economic Partnership 	While some of these partnership groups have a greater interest than others in child poverty. Child poverty is a cross-cutting issue where all partners should be involved and have the opportunity to influence the strategy and action plan	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases
Voluntary & Community Sector; including CAB, debt advice, credit unions	Organisations and groups based locally in the community and who work directly with families or individuals affected by child poverty and other issues that lead to child poverty.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases
Educational establishments and organisations; head teachers, schools, early years settings	Working with children and young people to support their educational needs	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email via host organisations Press releases Displays/posters in schools and colleges
Social care support and advice organisations	Working with families including those affected by child poverty	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email via host organisations Press releases
Housing associations	Provide housing, support and advice to families and individuals in greatest need	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases Displays/posters in housing offices and venues
Youth Parliament/Council	Local voice for young people in how services are delivered	Attendance at Parliament/Council sessions U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases

Health	Families affected by child poverty often have the greatest health needs	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases Displays/posters across NHS Plymouth venues
Police, Probation & Fire & Rescue Service	Community Safety, youth offending and diversionary youth activity	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases Displays/posters across venues
Business and employment; private sector, Jobcentre Plus, Careers South West	Larger sized employers within the city along with business support, apprenticeships, employment support and business start-ups can all factor in work to address child poverty.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases Displays/posters across venues
Utility companies	Families affected by child poverty may often struggle to pay bills such as utility bills. Support or advice from utility companies may ease the burden.	U-Create	Direct invitation by letter/email
Faith groups	Part of the community support network and community hubs.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases
Hard to reach groups	Part of the community support network and community hubs.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases
Armed forces / community covenant	A key employer and part of the city's heritage.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases
PCC staff in general	PCC not included in the list of those officers specifically invited to comment will still be able to comment on the strategy. Officers delivering front line services will likely have views about the Strategy and its approach.	U-Create Sofa events/pop up cafes Twitter debates	Direct invitation by letter/email Press releases Displays/posters a PCC/civic offices and venues
Public	Child poverty is everyone's business. All members of the public are invited to comment about the Strategy.	U-Create Sofa events/pop up cafes Twitter debates	Press releases Displays/posters a PCC/civic offices/housing offices and venues

6. HOW WE WILL CONSULT

- 6.1 To ensure that the consultation is as wide and inclusive as possible a variety of methods and media will be used to capture stakeholder viewpoints and their contribution to addressing child poverty.
- 6.2 The consultation will seek to obtain views and opinions about proposed themes and areas of focus i.e. are they fit for purpose, what is missing, what needs to be changed, are they realistic and achievable? It will also ask contributing partners and organisations to state what actions and activities they will be undertaking to address child poverty.
- 6.3 For the wider public, their opinions are also sought on whether the proposed Strategy will make a difference to those most at risk from child poverty.
- 6.4 A range of methods will be used as part of the consultation:
 - U-Create will be used as the online survey tool to enable the public and partners to feedback their comments and contribute their views about the draft strategy. A children and young people's version will also be available online;
 - The PCC Child Poverty Webpage will be used as the host for the online survey.
 - A leaflet based 'survey lite' will enable those without access to a PC to feedback their comments;
 - Sofa events: as part of the Plymouth Plan consultation process, a number of face to face sofa events will be hosted across the city where consultees will be invited to comment on different parts of the draft strategy;
 - Tackling Child Poverty inbox: can be used as an alternative to the online portal or survey lite if respondents choose to submit their comments and additional information via email;
 - Social Media will be used to raise the profile of child poverty and increase awareness of the ways in which to comment on the draft strategy. This will include weekly debates on PCC Twitter feeds and Facebook page.

7. COMMUNICATION AND FEEDBACK

- 7.1 The online consultation and dedicated webpage will be the primary tool for consultation, communication and feeding back information and progress to stakeholders throughout the development of the strategy and action plan.
- 7.2 To publicise the consultation and raise awareness of how to take part, it is intended to do the following within the resources available and timescales:
 - Letter/email – inviting identified stakeholders to take part in the consultation. This group will include those people and organisations that have already fed their comments into the development of the needs assessment or attended the kick start launch. They will also include officers and leads who will have a strategic or operational role in activities which will help to address child poverty. They will be invited to provide their views on the draft Strategy and their organisations contribution to the Action Plan.
 - Attendance at identified partnership meetings – informing those partnerships about the consultation and inviting their members to take part.
 - Press releases – to inform the wider public about the consultation and inviting them to take part. This will include local newspapers as well as our pages on Twitter and Facebook to inform the wider public about the consultation and inviting them to take part.
 - Use of PCC Twitter feeds and Facebook as a forum for debate and to raise awareness about the consultation. Weekly questions can be posed to generate discussion and debate.

- Direct engagement with stakeholders and the public (face to face) – as part of the Plymouth Plan, sofa events will be held across the city as an informal but fun way of engaging with people and interested parties.
- Use of the Plymouth Plan consultation newsletter where comments and feedback can be recorded and captured at sofa events.
- Displays/exhibitions – set up in Civic offices and public settings – to inform the wider public about the consultation and inviting them to take part.
- PCC website/Staffroom/Schoolroom – to inform all PCC staff and the wider public about the consultation and inviting them to take part.
- Posters/leaflets – distributed to Civic offices, libraries, housing offices – to inform the wider public about the consultation and inviting them to take part.
- Newsletter articles – public, health, schools, voluntary and community sector journals may be used to insert articles promoting the consultation and inviting readers to take part.
- Neighbourhood meetings – information including posters and leaflets will be shared with NLOs whose neighbourhood meetings coincide with the consultation period. This can be shared with attendees of the meeting to encourage them to take part.
- Schools/nurseries/governors/head teacher associations – information will be sent to key contacts to distribute on our behalf to all schools, nurseries and educational establishments.
- Voluntary and community sector – information will be sent to key contacts to distribute to voluntary and community groups on our behalf.

7.3 Campaign branding for the consultation and engagement activities will be developed in partnership with the Corporate Communications Team, in line with the Corporate identify.

8. KEY MILESTONES

8.1 Beyond the key milestones highlighted below, a detailed project plan has been developed and can be viewed as an appendix to this document.

Milestone	Date
Plymouth Plan – The Conversation	September 2012 – May 2013
Draft Child Poverty strategy to Cabinet to initiate consultation	11 th December 2012
Official launch of consultation	12 th December 2012
Consultation deadline reminder	14 th January 2013
End of Consultation period	31 st January 2013
Final strategy and action plan to Cabinet	2 nd April 2013
Full Council debate	22 nd April 2013

9. RISK MANAGEMENT

Risk Description	Likelihood	Impact	Risk Rating	Mitigation
Low response by stakeholders to consultation	3	5	15	Use wide variety of methods to consult with stakeholders. Allow time in the plan for frequent reminders / additional consultation events to be carried out.
Negative response to Strategy by press which could bias stakeholder response	3	4	12	Manage media relations to ensure a positive message is promoted.
Negative response to Strategy by stakeholders	3	3	9	Key stakeholders have already been involved in the development of the needs assessment.

10. EQUALITY IMPACT ASSESSMENT

- 10.1 An Equality Impact Assessment will be undertaken to identify if the strategy or action plan will have any negative impact on any of the protected characteristics, if this is found to be the case then further work will need to be carried out to mitigate as far as possible the issues identified. The assessment will take place once the documents have been published for public consultation.
- 10.2 The result of this assessment will be used by the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic.
- 10.3 A 'protected characteristic' is defined in the Act as age; disability; gender reassignment; pregnancy and maternity; race; (including ethnic or national origins, colour or nationality) religion or belief; sex; and sexual orientation.

PLYMOUTH CITY COUNCIL

Subject:	Final Public Health Transition Arrangements
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor McDonald
CMT Member:	Carole Burgoyne (Director for People) and Debra Laphorne (Joint Director of Public Health)
Author:	Candice Sainsbury, Senior Policy, Performance and Partnerships Advisor and Kevin Elliston, Associate Director, NHS Public Health.
Contact:	Tel: 01752 307387 Email: candice.sainsbury@plymouth.gov.uk
Ref:	
Key Decision:	Yes
Part:	I

Purpose of the report:

The purpose of this report is to outline the final transfer arrangements of public health responsibilities to the Local Authority by April 2013, including the recommended model for transition with Shadow Form commencing January 2013, and recognition of the Chief Officer role for Public Health.

Key points outlined in this paper are as follows:

- i. The role of public health, and the responsibilities of the Director of Public Health within Local Authorities.
- ii. Local transition arrangements in place including human resources, risk management, finance and commissioning.
- iii. Public Health model - options appraisal findings and recommendations.

As a result of the Health and Social Care Act 2012 and after nearly 40 years in the NHS, Public Health is returning 'home' to the Local Authority along with a new statutory Chief Officer for Public Health (the Director of Public Health (DPH)), a significant range of new statutory public health responsibilities, dedicated ring-fenced resources and an expert public health team.

It is not however the same 'public health'; specialist knowledge and skills have moved on since 1974 and the evidence base is much better. Neither is it the same local government; modern councils, such as Plymouth, look at their whole population and specific segments within it, and are as interested in the wellbeing of local people as commissioning services for them. Councillors and Officers are better prepared and equipped to handle the many pressures facing local government and the public has also changed, expecting far more responsive and personalised attention from their local councils.

From April 2013 Plymouth City Council will be a major player in shaping a comprehensive health system and the lead organisation for public health and well-being for Plymouth; there is now a real opportunity to

create an efficient and effective public health system geared to improving public health outcomes and general health and well-being for the population of Plymouth.

Transferring the majority of the NHS public health functions to the local authority presents us with a real opportunity in Plymouth to focus on the wider determinants of health as well as to 'join up' health and social care working and to improve health and well-being in our neighbourhoods and communities.

Change however also brings challenge and the structural reforms in the NHS will require the creation of even stronger relationships across an increasingly complex health and social care sector at a local level. The focus of these new relationships will be built via the local Health and Well-being Board (HWBB); the DPH, their specialist public health team and the new public health system for Plymouth will have a lead role in supporting the HWBB in its pivotal role of improving and protecting health for Plymouth.

A Glossary of Terms can be found in **Annexe A**.

Corporate Plan 2012-2015:

The formal transfer of key public health responsibilities to the Local Authority is expected to contribute significantly to addressing long term outcome measures to reduce health inequalities. These include reducing the gap in life expectancy, tackling child poverty and reducing the premature mortality rates in men. This will be achieved in line with the development and delivery of the upcoming Health and Wellbeing Strategy as part of the overall Plymouth Plan.

The public health transition is also expected to impact on the other priorities by shaping local services which influence wider determinants of health for example transport, economic development, housing, culture and leisure, education, environment and public protection.

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

From April 2013 public health services will be funded by a new public health budget via Public Health England, separate from the budget managed through the NHS Commissioning Board (NHS CB) for healthcare, as a ring-fenced grant. This will ensure that investment in public health is ring-fenced and protected.

Two separate exercises have been conducted by the Department of Health (DH) to determine the baseline ring-fenced grant for Upper Tier and Unitary Authorities public health spend; an exercise to identify Plymouth PCT public health spend for 2010-11 was undertaken in summer 2011 and a further DH review of 2011/12 actuals and 12/13 budget spend per PCT in 2012.

The DH estimated calculation for Plymouth's PCT public health projected spend in 2012/13 was £10.713 million. The DH has developed an interim funding formula for public health via the Advisory Committee on Resource Allocation (ACRA); their interim recommendations are currently out for consultation. The ACRA interim recommendations projected an uplift of a ring-fenced grant allocation of £12.007 million for Plymouth. The final public health funding formula, along with the final public health grant allocations for 2013-14 will not be known until the end of December 2012 which does not prevent the consideration of where within the authority the Public Health Team is located as the cost of the service will have to be contained to the level of funding received.

The final public health funding formula, along with the final public health grant allocations for 2013-14 will not be known until the end of December 2012.

In the meantime financial 'due diligence' continues alongside building up potential shadow budget based on the PCT submissions and the current spending plans.

The list of employees who will transfer is still being prepared and will not be confirmed until final allocations of people to posts across the NHS area are known. An early indication is that 19 posts will transfer to Plymouth City Council: existing Plymouth City Council staff will not be affected by the transfer. The financial impacts of the final transition model selected have been identified as neutral.

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

1. A local Equality Impact Assessment is being undertaken and will be updated in line with new guidance.
2. The public health outcomes framework identifies two high-level outcomes to be achieved across the public health system as follows:
 - increased healthy life expectancy
 - reduced differences in life expectancy and healthy life expectancy between communities

These outcomes reflect a focus not only on how long people live but on how well they live at all stages of life. The second outcome focuses attention on reducing health inequalities between people, communities and areas. Both are essential to enable the city to effectively address areas of inequality, in particular health inequalities. The need to address such issues is also embedded within the draft child poverty strategy 2013-2016.

In general, there are significant opportunities to positively impact health inequalities through close alignment with delivery of the public health outcomes as integrated within the upcoming Health and Wellbeing Strategy.

3. A joint risk management register has been developed to identify the key areas of risk to be managed within and beyond the transition period. Significant risks identified continue to centre primarily on the final funding formula and implications of the final staff transfer arrangements. The risk register is included in Annexe H.
4. A Joint Communications Plan has been developed

Recommendations & Reasons for recommended action:

1. To agree the recommended model for the Office of the Director of Public Health to be placed within the People Directorate, operating in shadow form from January 2013. This model will enable the specialist Public Health team, under the direction of the Director for Public Health, to work across all Council Directorates and Departments.
2. When the final financial public health settlement and staff destinations are allocated by Public Health England to Plymouth City Council, final due diligence will be undertaken.
3. Further national guidance and/or statutory requirements, if released, will be taken into account and actioned as required.

Alternative options considered and reasons for recommended action:

A detailed options appraisal was undertaken to identify the best fit model for the transfer of public health responsibilities to the Local Authority. This can be found in Annex G.

Background papers:

Health and Social Care Act 2012

Public Health in Local Government (factsheets): December 2011

Sign off:

Fin	SA-PeopleF- AC1213005- 15/11/2012	Leg	LT 16110	HR	BS	Corp Prop		IT		Strat Proc	
Originating SMT Member: Giles Perritt											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1.0 Introduction

1.1 As a result of the Health and Social Care Act 2012 and after nearly 40 years in the NHS, Public Health is returning 'home' to the Local Authority along with a new statutory Chief Officer for Public Health (the Director of Public Health (DPH)), a significant range of new statutory public health responsibilities, dedicated ring-fenced resources and an expert public health team.

1.2 The new public health responsibilities for Plymouth City Council will complement the pre-existing and wide-ranging public health functions in the Council, for example the Public Health (Control of Disease) Act 1984 (as amended).

1.3 From April 2013 Plymouth City Council will be a major player in shaping a comprehensive health system and the lead organisation for public health and well-being for Plymouth; there is now a real opportunity to create an efficient and effective public health system geared to improving public health outcomes and general health and well-being for the population of Plymouth.

1.4 Transferring the majority of the NHS public health functions to the local authority presents us with a real opportunity in Plymouth to focus on the wider determinants of health as well as to 'join up' health and social care working and to improve health and well-being in our neighbourhoods and communities.

1.5 If Plymouth City Council is to become a health improving council all parts of the council will need to take into account their respective impact and responsibilities on population well-being and health.

1.6 Change however also brings challenge and the structural reforms in the NHS will require the creation of even stronger relationships across an increasingly complex health and social care sector at a local level. The focus of these new relationships will be built via the local Health and Well-being Board (HWBB); the DPH, their specialist public health team and the new public health system for Plymouth will have a lead role in supporting the HWBB in its pivotal role of improving and protecting health for Plymouth.

2.0 The new role of Public Health in Local Authorities.

2.1 Following the Health and Social Care Act (2012) the Department of Health has issued guidance on the new role of public health in Local Authorities and the role of the Director of Public Health (DPH).

2.2 From April 2013 Plymouth City Council will take on new mandatory responsibilities to improve the health of the population of Plymouth backed by a ring-fenced grant via Public Health England and the specialist public health team, led by the DPH. It is essential that such new responsibilities remain fully funded through a ring fenced grant. This would also allow for a continued focus on the promotion of health and wellbeing, moving towards a more preventative agenda which will contribute towards delaying the need for care and support.

2.3 This new public health role will also be complemented by the existing expertise within the council; the new statutory public health functions can be found in **Annexe B**.

3.0 How will Public Health help the Local Authority?

3.1 Public health professionals are accustomed to working at senior level in a range of national and local organisations, providing expert, objective and impartial advice to guide policy making, and overseeing implementation – an approach which should translate seamlessly to working at the heart of local government. Public Health will bring local authorities a range of skills and experience to complement existing strengths, and contribute to delivery both of their new public health responsibilities and other corporate priorities.

3.2 Public health professionals are used to working in partnership and leading across a range of different agencies from the public, private and voluntary sectors. Similarly they are used to liaising with other professionals and experts from a variety of disciplines and backgrounds, particularly within healthcare, to understand, interpret and apply technical material. This versatility is essential to effective delivery of public health, and could equally well be applied in support of other local authority functions.

3.3 By virtue of their professional accountability and expertise, public health professionals are able to communicate effectively and enjoy ‘trusted status’ among the public. Again this is crucial to effective delivery of public health, and could be harnessed in support of other local authority functions.

3.4 The new statutory **duty to improve health** presents local authorities with a range of opportunities: to develop new approaches to promoting health and well-being drawing on the local as well as the national evidence base; to exploit synergies across other areas of business; to better integrate all local public services; and to strengthen action at a community and neighbourhood level. Public health professionals can help in a number of ways to realise all of these.

- **Firstly by helping local authorities to understand their population.** Public health professionals will be able to work with existing intelligence resources to build a rich picture of the health and well-being needs and assets of local communities, and enable informed decisions about local priorities. They will be able to construct complex, evidence-based models of the potential impacts and costs of different options for improving health and well-being and enable informed decisions about the use of resources and disinvestment.
- **Secondly by shaping action.** Public health professionals will be able to contribute an expert perspective to support development of evidence-based and integrated strategies and services to improve health and well-being, working with local public service partners, businesses, the voluntary sector and communities themselves. This will enable local authorities to get the best value for money from the public health ring-fenced grant, to understand the impact of all of their decisions on health and to optimise the impact of their full portfolio of services, as well as partner agencies and communities themselves on health and well-being.
- **Thirdly by mobilising communities.** Public health professionals will be able to support elected councillors and other local leaders to provide community leadership in relation to health for the populations they serve, to act as well informed and effective advocates on their behalf of their health, and to influence national and local policy development. Their advice will strengthen democratic accountability for health and enable councillors and officers to be well informed about health and health care when they engage with local communities.
- **Fourthly by ensuring accountability.** Public health professionals will be able to ensure that nationally mandated public health services and activities are appropriately tailored to local need whilst meeting the expectations of Public Health England. They will also be able to ensure that the impact of local strategies and services to improve health and well-being can be appropriately measured, including against those indicators which will form part of the Public Health Outcomes Framework.

- **Finally by reaping the rewards of success.** Health and well-being programmes done properly resonate positively with the public and are a good way to connect with local people. Public health professionals will be able to ensure that they are effective and well-received, and that local authorities are able to use this success to enhance their corporate reputation.

4.0 The Role of the Chief Officer for Public Health: the Director of Public Health.

The Department of Health published guidance (October 2012) which sets out the roles, responsibilities and context of the DPH. Part I of the guidance will be republished and updated in April 2013 under section 73A (7) of the NHS Act 2006 (inserted by section 30 of the Health and Social Care Act 2012) as guidance that local authorities must have regard to (**Annexe C**).

4.1 The Director of Public Health will be the lead officer in the local authority for health, and a statutory Chief Officer. The DPH and their specialist public health team will support local political leadership in improving the health of communities and the population of Plymouth. The DPH, along with their specialist public health team, will champion health across the whole of the authority's business, promoting healthier lifestyles and scrutinising and challenging the NHS and other partners to promote better health and ensure threats to health are addressed. How those statutory functions translate into everyday practice depends on a range of factors that will be shaped by local needs and priorities for Plymouth and may change over time.

4.2 The DPH and their specialist public health team will be well placed to work alongside colleagues in the Council to tackle the wider determinants of health and to promote better health and wellbeing across the life-course, e.g. through early years services, education, culture, sports and leisure, spatial planning, transport, housing, economic development and regeneration. The DPH and their specialist public health team will also be involved with Council colleagues in promoting health-supporting behaviours across the full spectrum of interventions from health education and promotion in schools, workplaces and communities, to regulation for alcohol, tobacco, buildings and environmental protection. How the new statutory functions of public health translate into everyday practice depends on a range of factors that will be shaped by local needs and priorities for Plymouth and may change over time.

4.3 Responsibilities of the Director of Public Health

- The DPH in Plymouth City Council will be the lead Officer for the new statutory public health responsibilities of the Council under the Health and Social Care Act 2012 and accompanying regulations and guidance (**Annexe D**).
- The DPH's lead role for public health will enable the Council to significantly improve the health of the population, as measured by the Public Health Outcomes Framework.
- The DPH will support the Health and Wellbeing Board to discharge its responsibilities relating to the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy.
- The DPH will have the lead role to build healthy public policy, to work with others to strengthen the community's ability to improve their own health and well-being and to inform and influence policy that will support a healthy local environment and culture.
- The DPH, and their specialist public health team, will have a lead role in the development of the Joint Strategic Needs Assessments and Joint Health and Wellbeing strategies and commission services accordingly in partnership with existing commissioning arrangements in the local authority.

- The DPH, and their specialist public health team, will have a lead role in the performance management and reporting of the Public Health Outcomes Framework (**Annexe E**).
- The DPH and their specialist public health team will have a critical role in protecting the health of the population, both in terms of helping to prevent threats arising and in ensuring appropriate responses when things do go wrong.
- The DPH will provide public health guidance from the National Institute for Health and Clinical Excellence (NICE) to inform and influence local authority practice and will also draw upon evidence produced by the National School of Public Health Research.
- The DPH and their specialist public health team will participate in public health research and development activities for the benefit of Plymouth's population.
- The DPH will provide public healthcare advice (Core Offer) to the Clinical Commissioning Group.
- The DPH and their Specialist Public Health Team will liaise with public health teams in the Public Health England local units.

5.0 Local Transitional Arrangements

5.1 Human Resources

- The national position in respect of how the transfer of employees will be effected between the NHS ("sender organisation") and PCC ("receiver organisation") is that it should be undertaken in accordance with the requirements of the Transfer of Undertakings (Protection of Employment) Regulations 2006 often referred to as TUPE where this is appropriate. The transfer will be effected by way of Transfer Schemes or Orders and these will give explicit advice on the terms of the transfer. Plymouth City Council has confirmed that the requirements of the Cabinet Office Statement of Practice relating to Staff Transfers in the Public Sector will be given due regard during the transfer and this approach has also been confirmed by Devon and Torbay local authorities.
- Currently there is no confirmed final list of the roles and names of those transferring to PCC. This is now expected from the NHS around December 2012. The process of identifying and confirming the final destination of current NHS employees is currently on-going by NHS management and their HR departments. A recruitment protocol has been created with the intention of, for example, creating a flexible approach to recruitment options and avoiding the creation of on-going liabilities.
- As terms and conditions will transfer with employees details of these will need to be incorporated within the new payroll system and regular meetings are currently taking place with a payroll representative to ensure that systems are ready to effect a smooth transition.
- It has been agreed nationally between trade unions, LGA and NHS employers, the Department of Health, Department for Communities and Local Government and HM Treasury that NHS staff transferring to local authorities on 1st April 2013 will remain entitled to membership of the NHS Pension Scheme. Decisions on the provision of pensions for new starters and for staff who move between posts after 1 April 2013 are still the subject of further discussions. An update will be given in further reports.
- A joint communication plan has been developed to ensure that NHS Public Health and PCC employees are aware of the transfer and its implications. Part of the communication plan will include press management timescales.

- Lead representatives of Unison, Unite and GMB are regularly updated on progress in respect of the transfer and an invitation has been extended from the outset to the monthly workforce meeting in Newton Abbot so that joint discussion on various options can take place.
- Work has commenced on the induction programme that will be offered to all those who will transfer to Plymouth City Council on 1 April 2013. A detailed induction plan is also being scoped and an invitation offered to NHS employees likely to be transferring to contribute to this. Induction will also take place in respect of the co-location of health and PCC employees at Windsor House.
- The Faculty of Public Health requirements for on-going Continuing Professional Development that professionally qualified Public Health employees will require has been identified as a minimum of 50 CPD hours annually; those staff with clinical qualifications will have additional CPD requirements for clinical practice.
- Due diligence in respect of work force matters commences on 19 November 2012 with Devon County Council, Plymouth City Council and Torbay Council working together to identify any issues and concerns.

5.2 Finance

- As set out in Healthy Lives, Healthy People: Consultation on the funding and commissioning routes for public health from April 2013 public health services will be funded by a new public health budget via Public Health England, separate from the budget managed through the NHS Commissioning Board (NHS CB) for healthcare, as a ring-fenced grant. This will ensure that investment in public health is ring-fenced and protected.
- The total resource for all parts of the new health system for 2013 is £92 billion; of this £5.2 billion, or around 4% of total health spend, will be allocated to public health.
- Of the £5.2 billion expected to be allocated to public health £2.2 billion will be allocated to local authorities, £2.2 billion to the NHS CB, £220 million to Public Health England and £600 million to the Department of Health (DH).
- Two separate exercises have been conducted by the DH to determine the baseline ring-fenced grant for Upper Tier and Unitary Authorities public health spend; an exercise to identify Plymouth PCT public health spend for 2010-11 was undertaken in summer 2011 and a further DH review of 2011/12 actuals and 12/13 budget spend per PCT in 2012.
- The DH estimated calculation for Plymouth's PCT public health projected spend in 2012/13 was £10.713 million.
- The DH has developed an interim funding formula for public health via the Advisory Committee on Resource Allocation (ACRA); their interim recommendations are currently out for consultation.
- The ACRA interim recommendations projected an uplift of a ring-fenced grant allocation of £12.007 million for Plymouth; the final value however for 2013-14 will not be known until the end of December 2012.
- A health premium incentive (the element of non-mandated expenditure that is dependent upon the local authority making progress against certain public health indicators), will also be available however it is anticipated that the health premium incentive will not be a 'withheld sum' but more probably an added reward.

- The DH is planning to delay the first payments of the health premium until 2015-16, the third year of local authority responsibility for public health responsibilities.
- The final public health funding formula, developed by ACRA, along with the final public health grant allocations for 2013/14 will be published by the DH at the end of December 2012 at which point the level of funding will become clear. This does not prevent the consideration of where within the authority the Public Health Team is located as the cost of the service will have to be contained to the level of funding received.
- In the meantime financial 'due diligence' continues alongside building up potential shadow budget based on the PCT submissions and the current spending plans.
- The Department of Health has allocated £86,000 of public health transitional support funds to Plymouth City Council via the Primary Care Trust. This support is expected to contribute towards the transition costs for moving from one organisational form to another, including additional human resource capability, legal advice, estates (such as office moves and IT requirements) and project planning.

5.3 Commissioning

- From April 2013 the Local Authority will take on lead responsibility for commissioning public health services against its new responsibilities. Detailed mapping to identify which contracts are likely to transfer over to Plymouth City Council is on-going. To date, mapping has identified the following¹:

Provider type	Approx number of contracts	Approximate total value	Examples of services
Voluntary and Community Sector	18	£3,095,352	Healthy lifestyles, drug and alcohol treatment, sexual health services
Primary Care Providers (GP's / Pharmacies)	12	£677,899	Smoking cessation, drug treatment, sexual health
Providers of NHS services (Plymouth Community Health Care Community Interest Company (CIC) / Plymouth NHS Hospitals Trust)	12	£5,000,001	Weight management, 5-19 services, sexual health services.

- Plymouth City Council is working with NHS Plymouth to identify which of these contracts will transfer to the responsibility of the Local Authority and the most appropriate mechanism for doing this.
- A number of transferring contracts will have clinical governance requirements not currently covered by local authority systems. Plymouth City Council is working together with NHS Plymouth to identify what needs to be in place to ensure all requirements are met by 1st April 2013.

¹ This does not currently include costs of staff expected to transfer to the Local Authority

5.4 Risk Management

A joint risk register has been developed and is monitored by the joint transition steering group. This can be found in **Annexe I**.

The NHS is due to issue the final draft of a model contract template by the end of December 2012 which will include indemnity provisions that cover the respective liabilities of the NHS and local authorities. At that stage the Council will be discussing the implications with its insurers to ensure that appropriate insurance protection is in place from 1st April 2013 to cover its new responsibilities.

6.0 Public Health Models Options Appraisal

6.1 The Public Health Transition Steering Group, co-chaired by Plymouth City Council and NHS Public Health Plymouth has undertaken a robust and detailed Options Appraisal of five potential organisational models of public health for the new Public Health responsibilities within the Plymouth City Council.

The five organisational models of public health assessed in the Options Appraisal² included:

- I. A distinct Public Health Directorate in the local authority (often including additional local authority functions)
- II. Public Health as part of the Chief Executive's Office function
- III. Public Health as a distinct function within the People Directorate
- IV. Public Health as a distinct function within the Place Directorate.
- V. A 'distributed' model in which public health responsibilities and staff work across directorates or functions as a 'virtual team'.

6.2 These five options were informed by reviewing eight published case studies of good practice from Local Authorities that have integrated public health into their respective organisations. The eight case studies reviewed included: Coventry, Blackburn, Lincolnshire, Haringey, Salford, Wiltshire, Oxfordshire, and Kent local authorities.

6.3 A joint PCC and PCT Public Health workshop was held in August 2012 at which the strengths, weaknesses, threats and opportunities of the current local public health system for Plymouth were reviewed and the five public health models discussed.

6.4 The August 2012 workshop was followed-up with a detailed Options Appraisal of the five models and included wider involvement and discussions across NHS Public Health and PCC Teams; the findings of the Options Appraisal can be found in **Annexe F**.

6.5 All options were judged to have neutral financial impacts; however the delivery of new public health responsibilities is dependent on the publication of the public health ring-fenced grant and the funding formula; these are expected to be released by the Department of Health at the end of the calendar year.

² Following guidance from the Local Government Association and the Department of Health on broad categories for future public health delivery.

7.0 Public Health Models - Options Appraisal Findings

7.1 Option 1: Creating a Public Health Directorate. This is a very ambitious option and if it were adopted in its broadest sense it would have the greatest level of disruption to current PCC structures but could also deliver the greatest level of impact if public services were aligned.

- This option is a 'Strong Fit' for potential Public Health impact but a 'Weak Fit' for implementation and the significant structural change it would require to existing Council Directorates.

7.2 Option 2: Public Health within the Chief Executive's Office. This option potentially enables the Council to embrace Public Health with an ambitious vision as a corporate role; however this option could potentially limit public health to the current functions of the CEO Office.

- This option is a 'Good Fit' for potential Public Health impact and 'Fair Fit' for implementation but would still require organisational changes to the CEO Office function and structure.

7.3 Option 3: Public Health within the People Directorate. This option could work well for Plymouth City Council and public health if functions are organised within a suggested 'Office of the Director of Public Health'; the People Directorate already has strong and embedded links to Health, Joint Commissioning and reaching vulnerable populations as well as some of the wider determinants of health.

- This option is a 'Strong Fit' for potential Public Health impact for integrated health and social working and a 'Good Fit' for implementation if the 'Office of the Director of Public Health' is created within the People Directorate.

7.4 Option 4: Public Health within the Place Directorate. This option could work well for Plymouth City Council and public health if functions are organised within a suggested 'Office of the Director of Public Health'; there is a good fit between the current functions of Public Health and existing Directorate structures e.g. public protection services, transport, planning.

- This option is a 'Good Fit' for potential Public Health impact on the wider determinants of health and 'Good Fit' for implementation if the 'Office of the Director of Public Health' is created within the Place Directorate.

7.5 Option 5: A Distributed/Virtual Public Health Team. This is a high risk option for Plymouth City Council to take for delivering public health; there is a small Public health team which if dispersed into a virtual team will lose any impact and become diluted;

- This option is a 'Weak Fit' for potential Public Health impact and 'Weak Fit' for organisation implementation; it is therefore the least suitable option.

8.0 Public Health Model - Recommendations

8.1 Plymouth City Council's Corporate Plan (2012-15) sets the direction of travel for 'Open Plymouth' with a commitment to open government and greater access to and involvement in the decision making process. It is closely linked to the Co-operative Council concept and it will be important for Plymouth City Council's new public health function and responsibilities to be highly visible within the Council's structure and to be accessible to the people of Plymouth.

8.2 A highly visible public health function in Plymouth City Council could be delivered by having a distinct team through which all new public health responsibilities and duties for the Council would be discharged. The proposal is that this team be called 'Office of the Director of Public Health' as part of the People Directorate.

8.3 The ODPH would deliver its role for the health of the people in Plymouth by:

- Providing strategic leadership for improving health and well-being and working with partners to reduce the health inequalities that exist in and between neighbourhoods and communities.
- Ensuring that Local Public Health Intelligence data, analysis and evidence for the new public health functions across the Council is provided, i.e., for strategic leadership for health, developing health and wellbeing strategies and publishing Director of Public Health independent Annual Reports etc.
- Jointly identifying public health needs and using research and evidence of what works to improve the health of the whole population.
- Working with others to influence and address the social determinants of health.
- Working with colleagues to reduce the level of ill-health and reduce the number of deaths from preventable diseases.
- Advocating for the quality of life for all and ensure that the greatest improvement in quality of life is experienced by those who have the greatest public health needs.
- Protecting the whole population from hazards and threats to health arising from public health emergencies and being prepared and well equipped to respond to emerging threats to health.
- Ensuring the public receives the best value for money on public health by regularly reviewing the effectiveness of the ODPH Teams' business work-plan.
- Assuring that public health activity is safe, delivered to the highest standards and is led by a qualified and regulated public health workforce (**Annexe G**).
- Being a Severn Deanery registered Public Health Training department and participating in the five year training programme for Speciality Registrars in Public Health.
- The National Guidance which informs the new public health responsibilities in local authorities can be found in **Annexe H**.

8.4 Based on current status of the transition, as outlined in section 4, it is recommended that public health responsibilities be transferred in shadow form from January 2013, in preparation of final transitional arrangements being in place by April 2013.

Annexe A: Glossary of Terms

AAC	Advisory Appointments Committee
ACRA	Advisory Committee on Resource Allocation
CEO	Chief Executives Office
CIC	Community Interest Company
CPD	Continuing Personal Development
DH	Department of Health
DPH	Director of Public Health
GMC	General Medical Council
GP	General Practitioner
HM Treasury	Her Majesty's Treasury
HPA	Health Protection Agency
HWBB	Health and Wellbeing Board
IT	Information Technology
LA	Local Authority
LGA	Local Government Association
NCMP	National Child Measurement Programme
NHS	National Health Service
NHS CB	National Health Service Commissioning Board
NICE	National Institute for Health and Clinical Excellence
ODPH	Office of the Director of Public Health
PCC	Plymouth City Council
PCT	Primary Care Trust
SW	South West
TB	Tuberculosis
TUPE	Transfer of Undertakings (Protection of Employment)

Annexe B: Statutory public health functions of local authorities under the Health and Social Care Act 2012

Pre-existing responsibilities

- Local Authorities (LA) will keep responsibility for their existing health protection functions, such as the Public Health (Control of Disease) Act 1984. (These do not form, part of the new statutory responsibilities of the DPH).

Health protection – Secretary of State responsibilities

- Section 11 of the Health and Social Care Act 2012 gives the Secretary of State the duty to take steps to protect the health of the people of England, and lists some examples of what those steps might include (based around the existing duties of the Health Protection Agency). Other sections transfer specific functions of the HPA to the Secretary of State (e.g. radiation protection and functions around biological substances).

Health improvement

- Section 12 gives each relevant LA a duty to take the steps it considers appropriate to improve (as distinct from the duty to protect) the health of the people in its area. This section also gives Secretary of State a power to take steps to improve the health of the people of England, and it gives examples of health improvement steps that either LAs or the Secretary of State could take.

Directors of public health

- Section 30 requires LAs, acting jointly with the Secretary of State to appoint a DPH. It gives that individual responsibility for the LA's new public health functions. This section also allows the Secretary of State to direct a LA to investigate the conduct of a DPH in relation to public health functions delegated from the Secretary of State, and to report back. A LA that wants to terminate the employment of a DPH must consult the Secretary of State before doing so.
- Under section 31 each DPH must produce (and their LA must publish) an independent annual report on the health of the local population.
- Schedule 5 of the Act amends the Local Government Act 1989 to add DsPH to a list of statutory chief officers.

Fluoridation

- Sections 35 - 37 set out new arrangements for consulting and making decisions on fluoridation schemes, which will become the responsibility of local authorities.

Other provisions

- Existing functions of PCTs in relation to dental public health (set out in regulations) will transfer to LAs (section 29).
- LAs will have a duty to co-operate with the prison service with a view to improving the exercise of functions in relation to securing and maintaining the health of prisoners (section 29).
- LAs will have a duty to co-operate with the police, the prison service and the probation service to assess the risk posed by violent or sexual offenders (section 31).

- Existing SoS responsibilities for the medical inspection and treatment and the weighing and measuring of school children are transferred to LAs (section 17).

Regulations

- Under section 18 the Secretary of State can use regulations to delegate his health protection duties to local authorities or to require LAs to undertake their health improvement duties in particular ways, and the DH has announced which services it intends to mandate.
- The DH is also proposing to make regulations setting out:
 - when LAs can charge for activity under their new duties (section 50),
 - the process for consultation by LAs on fluoridation of water supplies (sections 35 – 37),
 - the sharing of data on births and deaths (sections 284 – 287),
 - updates to the DsPH statutory responsibilities to match LAs' evolving public health role (e.g. acting as responsible authorities for licensing applications, under the Licensing Act 2003).

Guidance

- Under section 31 the Secretary of State can issue guidance that local authorities must have regard to ('statutory' guidance). Guidance can cover LAs' public health functions or the role and status of DsPH and other specialist public health staff.

Mandatory functions for local authorities

- The intention is to prescribe that all local authorities provide the following services to their local populations as part of their new public health responsibilities: child measurement programme, NHS health check, open access and confidential sexual health services, healthcare public health advice to NHS commissioners and steps to protect the health of their local populations.
- In practice, this will be arranged through Clause 14 of the Health and Social Care Act 2012, which inserts a new section of 6C of the NHS Act 2006 conferring powers to prescribe certain steps which local authorities must take.
- The first draft of the Regulations has been completed. Following legal checks and HA clearance, the Regulations will be laid in Parliament in November 2012. The planned coming into force date is 1st April 2013.

Health Protection

- On 1st September, 2012, Public Health Policy and Strategy Unit published a factsheet on health protection arrangements post April 2013 for local authorities. This document was developed in consultation with the Local Government Association, Health Protection Agency, the Faculty of Public Health, Association of Directors of Public Health and others. This document describes provisional arrangements for prevention and response to health protection incidents and outbreaks within the new public health system, focusing on those that do not require mobilisation of a multi-agency response under the Civil Contingencies Act 2004.
- This document also gives further details about the nature of the local authorities' planned new duty to protect the health of their populations, subject to regulations to be made under section 6C of the National Health Service Act 2006 ("NHS Act 2006") (as inserted by section 18 of the Health and

Social Care Act 2012) which will come into force in or before April 2013. This document is subject to further review in early 2013.

Annexe C: Directors of Public Health in Local Government

© Crown copyright 2012 First published October Published to DH website, in electronic PDF format only. <http://www.dh.gov.uk/publications>

Directors of Public Health in Local Government

i) Roles, responsibilities and context

Prepared by the Public Health England Transition Team

Part I of this guidance will be republished and updated in April 2013 under section 73A(7) of the NHS Act 2006 (inserted by section 30 of the Health and Social Care Act 2012) as guidance that local authorities must have regard to.

1. Introduction

1.1 Public health practice made huge strides during the 20th century, transforming the living standards of millions and saving countless lives in the process. Yet real threats still linger and new ones emerge. Dealing with the avoidable mortality caused by, say, smoking or obesity as conclusively as cholera and typhoid were dealt with requires different ways of thinking and acting.

1.2 The 2010 white paper Healthy Lives, Healthy People set out an ambitious vision for public health in the 21st century, based on an innovative and dynamic approach to protecting and improving the health of everyone in England. The test that the white paper sets is clear – we will have succeeded only when we as a nation are living longer, healthier lives and have narrowed the persistent inequalities in health between rich and poor.

1.3 As the white paper proposed, and after a gap of almost 40 years, the Health and Social Care Act 2012 returned a leading public health role to local government. With it comes a sizeable proportion of the responsibility for rising to these challenges. In April 2013 unitary and upper tier authorities take over a raft of vital public health activity, ranging from cancer prevention and tackling obesity to drug misuse and sexual health services. Just as significantly, the reformed public health system gives local authorities an unprecedented opportunity to take a far more strategic role. They can now promote public health through the full range of their business and become an influential source of trusted advice for their populations, the local NHS and everyone whose activity might affect, or be affected by, the health of the people in their area.

1.4 Local government is ready, willing and able to take this on. To support it, every local authority with new public health responsibilities will employ a specialist director of public health (DPH) – appointed jointly with the Secretary of State for Health – who will be accountable for the delivery of their authority's duties. The post is an important and senior one. The DPH is a statutory chief officer of their authority and the principal adviser on all health matters to elected members and officers, with a leadership role spanning all three domains of public health: health improvement, health protection and healthcare public health.

1.5 Local authorities must take the action to improve public health that they decide is appropriate – it is not the job of central government to look over their shoulders and offer unnecessary advice.

Nevertheless, the statutory basis of the DPH role, its transfer to local government and the involvement of the Secretary of State mean that there is value in clear, informative guidance that establishes a shared understanding of how this vital component of the reformed system should work. This guidance is issued in that spirit.

1.6 It describes both the statutory and non-statutory elements of the DPH function, and sets out principles critical to their appointment, to delivery of an effective public health strategy and to other aspects of their relationship with their employer and the Secretary of State.

2. The role of the director of public health

2.1 The most fundamental duties of a DPH are set out in law and are described in the next section. How those statutory functions translate into everyday practice depends on a range of factors that will be shaped by local needs and priorities from area to area and over time.

2.2 Nevertheless, there are some aspects of the role that define it in a more complete way than the legislation can, and that should be shared across the entire DPH community. All DsPH should:

- be the person who elected members and senior officers look to for leadership, expertise and advice on a range of issues, from outbreaks of disease and emergency preparedness through to improving local people's health and concerns around access to health services
- know how to improve the population's health by understanding the factors that determine health and ill health, how to change behaviour and promote both health and wellbeing in ways that reduce inequalities in health
- provide the public with expert, objective advice on health matters
- be able to promote action across the life course, working together with local authority colleagues such as the director of children's services and the director of adult social services, and with NHS colleagues
- work through local resilience fora to ensure effective and tested plans are in place for the wider health sector to protect the local population from risks to public health
- work with local criminal justice partners and police and crime commissioners to promote safer communities
- work with wider civil society to engage local partners in fostering improved health and wellbeing.

2.3 Within their local authority, DsPH also need to be able to:

- be an active member of the health and wellbeing board, advising on and contributing to the development of joint strategic needs assessments and joint health and wellbeing strategies, and commission appropriate services accordingly
- take responsibility for the management of their authority's public health services, with professional responsibility and accountability for their effectiveness, availability and value for money

- play a full part in their authority's action to meet the needs of vulnerable children, for example by linking effectively with the Local Safeguarding Children Board
- contribute to and influence the work of NHS commissioners, ensuring a whole system approach across the public sector.

3. Statutory functions of the director of public health

3.1 A number of the DPH's specific responsibilities and duties arise directly from Acts of Parliament – mainly the NHS Act 2006 and the Health and Social Care Act 2012 – and related regulations. Some of these duties are closely defined but most allow for local discretion in how they are delivered. This section summarises and explains the main legal provisions in effect from April 2013.

3.2 In general the statutory responsibilities of the DPH are designed to match exactly the corporate public health duties of their local authority. The exception is the annual report on the health of the local population – the DPH has a duty to write a report, whereas the authority's duty is to publish it (section 73B(5) & (6) of the 2006 Act, inserted by section 31 of the 2012 Act).

3.3 Otherwise section 73A(1) of the 2006 Act, inserted by section 30 of the 2012 Act, gives the DPH responsibility for:

- all of their local authority's duties to take steps to improve public health
- any of the Secretary of State's public health protection or health improvement functions that s/he delegates to local authorities, either by arrangement or under regulations – these include services mandated by regulations made under section 6C of the 2006 Act, inserted by section 18 of the 2012 Act
- exercising their local authority's functions in planning for, and responding to, emergencies that present a risk to public health
- their local authority's role in co-operating with the police, the probation service and the prison service to assess the risks posed by violent or sexual offenders
- such other public health functions as the Secretary of State specifies in regulations (more on this below).

3.4 As well as those core functions, the Acts and regulations give DsPH some more specific responsibilities from April 2013:

- through regulations made under section 73A(1) of the 2006 Act, inserted by section 30 of the 2012 Act, the Department intends to confirm that DsPH will be responsible for their local authority's public health response as a responsible authority under the Licensing Act
- 2003, such as making representations about licensing applications (a function given to local authorities by sections 5(3), 13(4), 69(4) and
- 172B(4) of the Licensing Act, as amended by Schedule 5 of the 2012 Act);
 - if the local authority provides or commissions a maternity or child health clinic, then regulations made under section 73A(1)

will also give the DPH responsibility for providing Healthy Start vitamins (a function conferred on local authorities by the Healthy Start and Welfare Food Regulations 2005 as amended)

- DsPH must have a place on their local health and wellbeing board (section 194(2)(d) of the 2012 Act).

4. Other relevant statutory provisions

4.1 The 2012 Act makes a number of other provisions that take effect from April 2013 and are directly relevant to DsPH. DsPH are made statutory chief officers of their local authority, and therefore holders of politically restricted posts, by section 2(6)(zb) of the Local Government and Housing Act 1989, inserted by Schedule 5 of the 2012 Act.

4.2 Under section 73A of the 2006 Act, inserted by section 30 of the 2012 Act:

- DsPH must be appointed jointly by their local authority and the Secretary of State (in practice Public Health England), although their subsequent employment relationship is with the local authority exclusively. There is more detail below on how the joint appointment process should work, and further information on best practice will be available is set out in part 2 of this guidance if the Secretary of State believes that a DPH is not properly carrying out any Secretary of State function that has been delegated to the local authority s/he can direct the authority to review the DPH's performance, to consider taking particular steps, and to report back. This power does not extend to the DPH's performance of the local authority's own health improvement duties as local authority must consult the Secretary of State before dismissing its DPH. The authority may still suspend its DPH from duty (following its standard rules and procedures) and the Secretary of State cannot veto its final decision on dismissal. An authority proposing dismissal for any reason should contact Public Health England for advice on how to proceed with the consultation. Public Health England will normally provide the Secretary of State's formal response within a maximum of 28 days.

5. Corporate and professional accountability

5.1 The DPH is an officer of their local authority and shares the same kind of corporate duties and responsibilities as other senior staff. To discharge their responsibility to their authority and deliver real improvements in local health the DPH needs both an overview of the authority's activity and the necessary degree of influence over it.

5.2 This may or may not mean that the DPH is a standing member of their local authority's most senior corporate management team. That should be determined locally, not least because the scope of the DPH role can also vary locally – for instance, where it is agreed that a DPH's role will extend beyond its core statutory responsibilities.

5.3 However, it does mean that there should be direct accountability between the DPH and the local authority chief executive for the exercise of the local authority's public health responsibilities, and direct access to elected members.

5.4 DsPH should also have full access to the papers and other information that they need to inform and support their activity, and day to day responsibility for their authority's public health budget – although formal accountability will rest with the authority's accounting officer (usually the chief executive).

Professional accountability, regulation and registration

5.5 Medical and dental public health consultants are regulated by the General Medical Council or the General Dental Council. Nurse, health visitor and midwife public health consultants are regulated by the Nursing and Midwifery Council. All public health consultants can also register with the voluntary UK Public Health Register.

5.6 To assure themselves of the continuing competence of their DPH, local authorities should ensure that s/he:

- undertakes a Faculty of Public Health continuing professional development programme
- maintains a portfolio of training that demonstrates competence with all aspects of public health accepted by the UK Public Health Register.

Revalidation

5.7 Medical revalidation is the process by which licensed doctors, including medical DsPH, regularly demonstrate that their skills are up to date and that they are fit to practise. Responsible officers in Great Britain (see below) make fitness to practice recommendations to the General Medical Council in respect of individual doctors. The Nursing and Midwifery Council has an equivalent process for nursing revalidation, and the UK Public Health Register is also establishing a revalidation process for its members.

Professional appraisal and continuing professional development

5.8 Continuing professional development (CPD) is an essential feature of the revalidation process for public health specialists. The overall aim of CPD is to ensure that those who work in the field develop and maintain the necessary knowledge, skills and attributes to practise effectively and work towards improving the health of the population. Local authorities should consider how best to meet these aims in respect of their DPH.

5.9 CPD is a professional obligation for all public health professionals and protected time for CPD is a contractual entitlement for directors transferring into local government on medical and dental contracts. In order to comply with the Faculty of Public Health's minimum standards for CPD all Faculty members must either submit a satisfactory CPD return annually or have been formally exempted by the Faculty from this requirement.

5.10 The UK Public Health Register expects all its registrants to participate in CPD, preferably as part of a formal scheme such as those operated by the Faculty of Public Health, the Chartered Institute of Environmental Health or the General Pharmaceutical Council.

5.11 For medical consultants subject to the General Medical Council revalidation process there is a requirement for annual medical appraisal to be undertaken as an integral part of the revalidation process. Local authorities should reassure themselves that they are in a position to deliver this requirement.

The role of responsible officers in relation to the director of public health

5.12 Responsible officers help to evaluate doctors' fitness and monitor their conduct and performance. The role of the responsible officer is to support doctors in maintaining and improving the quality of care they deliver, and to protect patients in those cases where doctors fall below the high standards set for them. Responsible officers are licensed doctors themselves, and as such must have their own responsible officer.

5.13 The Responsible Officer Regulations came into force on 1 January 2011 and apply to medically qualified DsPH. The regulations designate those bodies that are required to nominate or appoint a responsible officer for the purposes of medical revalidation – this includes local authorities that employ medically qualified staff. For those DsPH who are not medically qualified, arrangements should be in place for supporting the individual's professional practice through appropriate networks. Similarly, alternative arrangements should be made for any medically qualified members of the public health team who work under a non-medically qualified DPH.

5.14 Proposals on the responsible officer role in relation to local authorities and public health have been consulted on. The consultation responses are now being considered and the outcome will be reflected in draft regulations that will be published shortly.

6. Appointing directors of public health

6.1 From 2013 the Secretary of State for Health (and therefore Public Health England, which acts on the Secretary of State's behalf) has two general duties that apply to the joint appointment process:

- to promote the comprehensive health service (section 1 of the NHS Act 2006, as amended by section 1 of the 2012 Act)
- to promote local autonomy so far as that is compatible with the interests of the comprehensive health service (section 1D of the 2006 Act, inserted by section 5 of the 2012 Act).

6.2 Local authorities undertaking public health duties conferred on them by the 2012 Act are part of the comprehensive health service. This means that the Secretary of State may not normally intervene in decisions about matters such as the role or position within local authorities of DsPH, but must intervene - and ultimately may refuse to agree a joint appointment - if s/he has reason to believe that anything about an authority's proposals for the appointment of a DPH would be detrimental to the interests of the local health service.

Requirements for director of public health appointments

6.3 Local authorities recruiting a DPH should:

- design a job description that includes specialist public health leadership and an appropriate span of responsibility for improving and protecting health, advising on health services and ensuring that the impact on health is considered in the development and implementation of all policies
- make every effort to agree the job description with the Faculty of Public Health and the Public Health England regional director, ensuring in particular that it covers all the necessary areas of professional and technical competence
- manage the recruitment and selection process and set up an advisory appointments committee to make recommendations on the appointment to the leader of the local authority.

6.4 The advisory appointments committee should be chaired by a lay member, such as an elected member of the local authority (the cabinet member of the health and wellbeing board, for example). It should also normally include:

- an external professional assessor, appointed after consultation with the Faculty of Public Health
- the chief executive or other head of paid service of the appointing local authority (or their nominated deputy)
- senior local NHS representation
- the Public Health England regional director, or another senior professionally qualified member of Public Health England acting on his or her behalf
- in the case of appointments to posts which have teaching or research commitments, a professional member nominated after consultation with the relevant university.

The role of the Secretary of State and Public Health England

6.5 The relationship of the Secretary of State and the local authority in the joint appointment process is one of equals. The role of the Secretary of State is to provide additional assurance of the DPH's competency. Public Health England will advise the Secretary of State on whether:

- the recruitment and selection processes were robust
- the local authority's preferred candidate has the necessary technical, professional and strategic leadership skills and experience to perform the role - proven by their specialist competence, qualifications and professional registration.

6.6 In order to provide this assurance for the Secretary of State, Public Health England will:

- agree with the local authority and the Faculty of Public Health a job description that fits with the responsibilities of the DPH and sets out the necessary technical and professional skills required
- offer advice in relation to the recruitment and selection process, including the appointment of Faculty of Public Health assessors
- participate in the local advisory appointment committee
- confirm to the local authority the Secretary of State's agreement to the appointment.

6.7 Public Health England regional directors will work with local authorities in any area where there is a DPH vacancy to ensure a robust and transparent appointment process is established and a timescale for recruitment and appointment agreed. This should be completed within three months of a post becoming vacant.

6.8 If the regional director has concerns about the process or their involvement in it, s/he will seek to resolve these through negotiation with the local authority. They will be able to draw upon advice and dispute resolution support if it is required. It is important that the interaction between the regional director and the local authority is based on dialogue, collaboration and agreement.

6.9 The local authority has the primary role in recruiting people who will be under contract to it. However, there are clear joint considerations in processes for appointing a DPH. If, at the end of this procedure, the Secretary of State is not satisfied that an appropriate recruitment process has taken place and that the local authority preferred candidate has the necessary skills for the role, s/he will write to the lead member and chief executive of the council setting out in full the reasons for not agreeing the appointment and proposing steps to resolve the situation.

Annexe D: The Public Health Responsibilities of the Office of the Director of Public Health from April 2013

The DPH will have new public health responsibilities which will complement the Councils existing services in relation to the following functions and services:

Mandatory Functions	Public Health Commissioning/Services
Comprehensive Sexual Health	From April 2013, Local Authorities will commission comprehensive sexual health services. This includes all aspects of sexual health provision except: <ul style="list-style-type: none"> - Abortion services, sterilisation and vasectomy which will be commissioned by Clinical Commissioning Groups although there will be a further consultation on the most appropriate commissioning route for these services; - Contraception which is currently provided as an additional service in the GP contract, which will continue to be provided via the GP contract; - HIV treatment, which will be the responsibility of the NHS Commissioning Board.
Health Protection	From April 2013, local authorities will be required through Regulations under new section 6C of the NHS Act to perform steps to protect the health of their local populations, in particular to ensure there are plans in place to protect the health of their populations from natural hazards, accidents, infectious diseases, terrorism and other health threats.
NHS Health Check Programme	From April 2013, local authorities will be required to deliver NHS Health Check assessments for eligible men and women (around 15 million people aged 40-74 in England), equivalent to 13,000 annual health checks in Plymouth.
Population healthcare advice to the NHS (Core Offer)	From April 2013, local authorities will be required through Regulations to provide population based public health advice to NHS commissioners on the commissioning of NHS services. The regulations provide a means to ensure that specialist public health advice is provided by each local authority. Clinical commissioning groups will require a range of information and intelligence support via both the population healthcare advice service based in local authorities and other commissioning support services.
The National Child Measurement Programme	The Department of Health currently issues annual operational guidance for local areas on delivery of the NCMP. http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_129001

In addition to the Mandated Public Health Responsibilities, Local Authorities will be responsible for commissioning or ensuring services are provided for:

Other Public Health Responsibilities	Public Health Commissioning/Services
Accidental injury prevention	Local initiatives such as falls prevention services
Alcohol misuse services	Alcohol misuse services, prevention and treatment
Behavioural and lifestyle campaigns	To prevent cancer and long-term conditions
Children's public health 5-19	Public health services for children and young people aged 5-19 (including Healthy Child Programme 5-19) (and in the longer term all public health services for children and young people), including school nursing

Criminal Justice	Public health aspects of promotion of community safety, violence prevention and response
Dental public health	Epidemiology, dental screening and oral health improvement, including water fluoridation (subject to consultation)
Drug misuse services	Drug misuse services, prevention and treatment
Environmental risks	Local initiatives that reduce public health impacts of environmental risks
Health at work	Any local initiatives on workplace health
Nutrition	Any locally-led initiatives
Obesity programmes	Local programmes to prevent and address obesity, e.g. weight management services; community lifestyle services
Physical activity	Local programmes to address inactivity and other interventions to promote physical activity; increasing levels of physical activity in the local population
Public mental health	Mental health promotion, mental illness prevention and suicide prevention
Reducing and preventing birth defects	Population level interventions to reduce and prevent birth defects (with Public Health England)
Reviewing public health funded & NHS delivered services	Supporting, reviewing and challenging delivery of key public health funded and NHS delivered services such as immunisation and screening programmes
Seasonal mortality	Local initiatives to reduce excess deaths as a result of seasonal mortality
Social Inclusion	Public health aspects of local initiatives to tackle social exclusion
Tobacco control and smoking cessation services	Local activity, including stop smoking services, prevention activity, enforcement and communications

Annexe E: Public Health Outcomes Framework (summary)

At a glance - Public Health Outcomes Framework

Overview of outcomes and indicators

VISION

To improve and protect the nation's health and wellbeing and improve the health of the poorest/ fastest

Outcome measures

Outcome 1 Increased healthy life expectancy, i.e. taking account of the health quality as well as the length of life

Outcome 2 Reduced differences in life expectancy and healthy life expectancy between communities (through greater improvements in more disadvantaged communities)

1 Improving the wider determinants of health

Objective Improvements against wider factors which affect health and wellbeing and health inequalities

Indicators

- Children in poverty
- School readiness (Placeholder)
- Pupil absence
- First time entrants to the youth justice system
- 16-18 year olds not in education, employment or training
- People with mental illness and or disability in settled accommodation
- People in prison who have a mental illness or significant mental illness (Placeholder)
- Employment for those with a long-term health condition including those with a learning difficulty / disability or mental illness
- Sickness absence rate
- Killed and seriously injured casualties on England's roads
- Domestic abuse (Placeholder)
- Violent crime (including sexual violence) (Placeholder)
- Re-offending
- The percentage of the population affected by noise (Placeholder)
- Statutory homelessness
- Utilisation of green space for exercise / health reasons
- Fuel poverty
- Social connectedness (Placeholder)
- Older people's perception of community safety (Placeholder)

2 Health improvement

Objective People are helped to live healthy lifestyles, make healthy choices and reduce health inequalities

Indicators

- Low birth weight of term babies
- Breastfeeding
- Smoking status at time of delivery
- Under 18 conceptions
- Child development at 2 - 2.5 years (Placeholder)
- Excess weight in 4-5 and 10-11 year olds
- Hospital admissions caused by unintentional and deliberate injuries in under 18s
- Emotional well-being of looked after children (Placeholder)
- Smoking prevalence - 15 year olds (Placeholder)
- Hospital admissions as a result of self-harm
- Diet (Placeholder)
- Excess weight in adults
- Proportion of physically active and inactive adults
- Smoking prevalence - adults (over 18s)
- Successful completion of drug treatment
- People entering prison with substance dependence issues who are previously not known to community treatment
- Recorded diabetes
- Alcohol-related admissions to hospital (Placeholder)
- Cancer diagnosed at stage 1 and 2 (Placeholder)
- Cancer screening coverage
- Access to non-cancer screening programmes
- Take up of the NHS Health Check programme - by those eligible
- Self-reported well-being
- Falls and fall injuries in the over 65s

3 Health protection

Objective The population's health is protected from major incidents and other threats, whilst reducing health inequalities

Indicators

- Air pollution
- Chlamydia diagnoses (15-24 year olds)
- Population vaccination coverage
- People presenting with HIV at a late stage of infection
- Treatment completion for TB
- Public sector organisations with board approved sustainable development management plans
- Comprehensive, agreed inter-agency plans for responding to public health incidents (Placeholder)

4 Healthcare public health and preventing premature mortality

Objective Reduced numbers of people living with preventable ill health and people dying prematurely, whilst reducing the gap between communities

Indicators

- Infant mortality
- Tooth decay in children aged 5
- Mortality from causes considered preventable
- Mortality from all cardiovascular diseases (including heart disease and stroke)
- Mortality from cancer
- Mortality from liver disease
- Mortality from respiratory diseases
- Mortality from communicable diseases (Placeholder)
- Excess under 75 mortality in adults with serious mental illness (Placeholder)
- Suicide
- Emergency readmissions within 30 days of discharge from hospital (placeholder)
- Preventable sight loss
- Health-related quality of life for older people (Placeholder)
- Hip fractures in over 65s
- Excess winter deaths
- Dementia and its impacts (Placeholder)

Annexe F: Public Health Model Options Appraisal Summaries

Option 1: Creating a Public Health Directorate
Description / Characteristics
A distinct public health directorate in the local authority (often including additional local authority functions). This option could see a new Public Health Directorate created in addition to the existing Directorates for People, Place and Corporate Services. This could be just for the public health team transitioning or could extend to other teams currently located in PCC Directorates but linked to the responsibilities of the Director of Public Health, e.g. Environmental Health, emergency planning and resilience, licensing, trading standards, health and safety etc.
HR Features
<ul style="list-style-type: none"> • Chief Officer Status of DPH enabled. • Public Health team members retain clear lines of managerial and professional accountability through the DPH. This meets appraisal and revalidation requirements. • One directorate/office with clear, simple professional management and accountability enabling retention of distinct identity as Public Health. • Would increase the number of direct reports to the Chief Executive but provides direct line management arrangement between DPH to Chief Executive. • Would allow direct interface between public health and elected members, Chief Executive, • Directors and other Chief Officers. <p>Discrete Public Health Directorate consisting of existing team:</p> <ul style="list-style-type: none"> • Directorate would have initial size of approx 19 staff (based on potential transfers but excluding public health trainees and affiliated staff members). • The current size of smallest PCC Directorate is 1074.2 • Initial lift and shift relatively straightforward, minimal disruption initially; relatively cost neutral. <p>Discrete Public Health Directorate requiring transfer of staff from existing PCC areas:</p> <ul style="list-style-type: none"> • Would require consultation with staff and trade unions • Could highlight where there are synergies and potential savings if, for example, there is duplication of roles. • Aligns professionals (Emergency Planning, Public Protection) similar professional requirements in nature and subject.
Legal Features
<ul style="list-style-type: none"> • The Director of Public Health could be positioned within 'any' of the Corporate Directorate arrangements of Plymouth City Council. • The Director of Public Health should take responsibility for the management of the Councils new public health responsibilities with professional responsibility and accountability for their effectiveness, availability and value for money • Their role is that of a statutory chief officer with direct reporting and accountability to the Chief Executive and direct access to elected members. • They will need to have a highly visible public health role, and provide the public with objective advice on health matters as well as playing a lead role in the Councils health protections and public health improvement functions.

Objectives Fit	
<ul style="list-style-type: none"> • No conflict towards the delivery of the objectives. • Has the potential to enhance and further Council objectives. • Can influence from a Directorate perspective; influence across the whole organisation would need to engage fully with the dispersed leadership model of PCC. 	
Timescale and achievability	
<ul style="list-style-type: none"> • Core Public Health Team could form a new Directorate by 1st April 2013. • Other services that are aligned could be 'bolted-on' after transfer; • However considering the scope of public health responsibilities this would be a major piece of organisational development work that would substantially change the longer term structure of the Council. 	
Financial Features	
<ul style="list-style-type: none"> • Financial impacts assessed as neutral. • Achieving public health outcomes would have to be prioritised against the available ring fenced budget for public health. • Financial resources could be increased if the LA chooses to allocate more funds to Public Health activity. 	
Risks specific to this option	Mitigation
<ul style="list-style-type: none"> • Minimal disruption to existing Directorates if a discrete Directorate is created; however this would be seen as separate function and inequity in team capacity. • Substantial disruption to the Council structure if a new Directorate that brings in services currently located in other Directorates. • A separate Directorate could be viewed as public health not being everyone's business. 	<ul style="list-style-type: none"> • Would need clear agreed process for how other parts of the Council would work with Public Health Team and to utilize the dispersed leadership model in PCC.
Potential benefits	
<ul style="list-style-type: none"> • Would ensure Public Health retains a distinct identity. • The reach of public health in its broadest sense is enhanced in relation to being everyone's business. • This model provides a clear view of Public Health activity and responsibilities for the Council and would demonstrate the added value of integrating expertise. • Would give an indication of the importance of Public Health within the council priorities. 	

Potential drawbacks
<ul style="list-style-type: none"> • As a stand-alone Directorate with the existing Public Health team it would be small in comparison to other Directorates, therefore will have an imbalance of Directorate sizes and budgets. • If 'Public Health' is seen as a separate stand-alone Directorate there is the potential for reduced influence and impact over the wider Council functions that affect health and health inequalities. • Duplication with other functions across the Council e.g. Joint Commissioning Team. • Lessens scope for integration and join up e.g. delivery of the Core Offer, Emergency Planning, or joint commissioning. • Replicates the current situation / maintains status quo rather than taking advantage of the opportunity to be more effective and efficient by working together. • Would mean that Council structures would need to be changed adding a fourth Directorate to the agreed three. • Disruption to existing Council Directorates if another re-organisation takes place.
Suitable if
<ul style="list-style-type: none"> • A major structural and cultural change in PCC is politically desired.
Additional Comments
<ul style="list-style-type: none"> • This is a very ambitious option and if it were adopted in its broadest sense it would have the greatest level of disruption to current PCC structures but could also deliver the greatest level of impact if public services were aligned.

Option 2: Public Health within the Chief Executive's Office
Description / Characteristics
A section of another directorate - Chief Executives Office. The Public Health Team could either be a clearly identified team within the Chief Executive's Office or subsume existing teams in Chief Executive's Office.
HR Features
<ul style="list-style-type: none"> • Chief Officer Status of DPH enabled. • Would bring together a small Chief Executive Office, (47)3 i.e. led by a Head of Service and the Public Health Office (19). • Creates a discrete public health team within the authority. • Potential to increase number of direct reports to Chief Executive. • Would allow direct interface between public health and elected members, Chief Executive, Directors and other Chief Officers. • Public Health team members retain clear lines of managerial and professional accountability through the DPH. This meets appraisal and revalidation requirements.

<ul style="list-style-type: none"> • The Executive Office contains various functions which could be seen as “matching” with existing Public Health functions particularly those relating to business intelligence and civil/emergency planning so some synergy could be achieved. • Would also be possible to see if there was duplication of roles at all levels and if so identify potential savings. If so and structural changes required, would need consultation with employees and trade unions. 	
Legal Features	
<ul style="list-style-type: none"> • The Director of Public Health could be positioned within ‘any’ of the Corporate Directorate arrangements of Plymouth City Council. • The Director of Public Health should take responsibility for the management of the Councils new public health responsibilities with professional responsibility and accountability for their effectiveness, availability and value for money. • Their role is that of a statutory chief officer with direct reporting and accountability to the Chief Executive and direct access to elected members. • They will need to have a highly visible public health role, and provide the public with objective advice on health matters as well as playing a lead role in the Councils health protections and public health improvement functions. 	
Objectives Fit	
<ul style="list-style-type: none"> • Potential to embed Public Health in all areas of Council business. • Ability to influence across whole Council. • Allows influence across all determinants affecting health and wellbeing, as well as ability to link to other stakeholders. 	
Timescale and achievability	
<ul style="list-style-type: none"> • Achievable by 1st April. • Easy to move across as a team; structural changes may be required to CEO team. 	
Financial Features	
<ul style="list-style-type: none"> • Financial impacts assessed as neutral. • Achieving public health outcomes would have to be prioritised against the available ring fenced budget for public health. • Financial resources could be increased if the LA chooses to allocate more funds to Public Health activity. 	
Risks specific to this option	Mitigation
<ul style="list-style-type: none"> • Potential disconnect to the ‘People’ and Place’ Directorates which are the key delivery arms of the Authority. • The Public Health budget may be used for other purposes after the removal of the ring-fence. 	<ul style="list-style-type: none"> • Would need clear agreed process for how other parts of the Council would work with Public Health Team and to utilize the dispersed leadership model in PCC.

Potential benefits
<ul style="list-style-type: none"> • Some fit between the current functions of Public Health and existing CEO structures e.g. emergency planning, intelligence / data analysis, needs assessment. • Emergency Planning and Health Protection would be co-ordinated from the same place. • It aligns public health with a Directorate that has a wide corporate brief. • Public Health will be able to consolidate relationships with ‘People’, ‘Place’ and ‘Corporate Services’ to ensure Public Health is on the agenda of both Directorates. • Would elevate the status of Public Health as a corporate issue.
Potential drawbacks
<ul style="list-style-type: none"> • Limiting the role of public health to the scope of the role of the Chief Executive’s Office. • Increases the size of the CEO Office which has been streamlined in previous structural changes. • This doesn’t take up the opportunity of joining up with other Council services, with a particular emphasis on service delivery e.g. commissioning, Environmental Health etc. • CEO Office is not the primary Directorate that has the most interactions with health at strategic and operational levels.
Suitable if
<ul style="list-style-type: none"> • Created a distinct “Office of the Director of Public Health” within the wider directorate that retains responsibility for statutory and mandatory functions. • The team could then establish partnering arrangements with teams in other directorates.
Additional Comments
<p>This Option shows Public Health embracing the move to the Council with an ambitious vision as a corporate role.</p>

Option 3: Public Health within the People Directorate
Description / Characteristics
<p>Public Health as a section of the People Directorate; Public health team lift and shift into People Directorate. Public Health would be a clearly identified function within the People Directorate.</p>
HR Features
<ul style="list-style-type: none"> • Chief Officer Status of DPH enabled. • Line management reporting to the Director of People - increases line management reports from 4 to 5 for this Director. • Would allow direct interface between public health and elected members, Chief Executive, Directors and other Chief Officers. • There are a number of existing functions within People where synergy could be created - particularly around matters relating to health inequalities, housing, social care. These are likely to become clearer post transfer. • Could be added as distinct department/office to existing management structure. This

<p>would minimise disruption to existing departments who may currently be restructuring.</p> <ul style="list-style-type: none"> • If not wishing to be a “department” could be called “Office of Director of Public Health” (ODPH). • If sited as stand-alone ODPH at transfer (lift and shift) would not create further changes in that directorate. 	
<p>Legal Features</p>	
<ul style="list-style-type: none"> • The Director of Public Health could be positioned within ‘any’ of the Corporate Directorate arrangements of Plymouth City Council. • The Director of Public Health should take responsibility for the management of the Councils new public health responsibilities with professional responsibility and accountability for their effectiveness, availability and value for money • Their role is that of a statutory chief officer with direct reporting and accountability to the Chief Executive and direct access to elected members. • They will need to have a highly visible public health role, and provide the public with objective advice on health matters as well as playing a lead role in the Councils health protections and public health improvement functions. 	
<p>Objectives Fit</p>	
<ul style="list-style-type: none"> • Potential to embed Public Health in all areas of Council business. • Ability to influence across whole Council. • Legitimacy to influence ‘Place’ Directorate. • Being in the People Directorate ‘may’ focus public health on that Directorate only. 	
<p>Timescale and achievability</p>	
<ul style="list-style-type: none"> • The Public Health Team could go in the People Directorate as an ‘Office of the Director of Public Health’. • All achievable by 1st April. 	
<p>Financial Features</p>	
<ul style="list-style-type: none"> • Financial impacts assessed as neutral. • Achieving public health outcomes would have to be prioritised against the available ring fenced budget for public health. • Financial resources could be increased if the LA chooses to allocate more funds to Public Health activity. 	
<p>Risks specific to this option</p>	<p>Mitigation</p>
<ul style="list-style-type: none"> • Potential for public health team to be internally focused on the work of the People Directorate, therefore not focusing on public health issues across the whole council. 	<ul style="list-style-type: none"> • Would need clear agreed process for how other parts of the Council would work with Public Health Team and to utilize the dispersed leadership model in PCC.

<ul style="list-style-type: none"> The Public Health budget may be used for other purposes after the removal of the ring-fence 	
Potential benefits	
<ul style="list-style-type: none"> Director for People is the current health lead for the Council and ownership for this agenda exists for this Directorate. Strong fit between the current functions of Public Health and existing Directorate structures e.g. commissioning, social care, education. Potential to influence service areas / developments that impact on the wider determinants of health. People Directorate already has strong and embedded links to Health and is leading on integration and joint work with Health including formal arrangements i.e., section 75 agreements. Existing Portfolio Holder arrangements already in place. Good existing working relationships. Natural fit for activity influenced by the Health and Social Care Act. This option potentially has the greatest immediate impact upon communities and populations with the greatest need. 	
Potential drawbacks (link to functions criteria – see table I.2)	
<ul style="list-style-type: none"> Public Health influence could be limited to the ‘People’ Directorate. Public Health may lose some focus on wider determinant of health although it is recognised the people directorate is already responsible for certain areas that tackle the wider determinants. 	
Suitable if	
<ul style="list-style-type: none"> Could create a distinct “Office of the Director of Public Health” within the wider directorate that retains responsibility for statutory and mandatory functions. The public health team could then establish partnering arrangements with teams in other directorates. 	
Additional Comments	
This option could work well for PCC and public health if functions are organised within a suggested ‘Office of the Director of Public Health’.	

Option 4: Public Health within the Place Directorate
Description / Characteristics
Public Health as a section of the Place Directorate; Public health team lift and shift into Place Directorate. Public Health would be a clearly identified function within the Place Directorate.
HR Features
<ul style="list-style-type: none"> Chief Officer Status of DPH enabled.

- Line management reporting to the Director of Place - increases line management reports from 4 to 5 for this Director.
- Would allow direct interface between public health and elected members, Chief Executive, Directors and other Chief Officers.
- There are a number of existing functions within Place where synergy could be created - particularly around matters relating to planning, environmental health and housing. These are likely to become clearer post transfer.
- Could be added as distinct department/office to existing management structure. This would minimise disruption to existing departments who may currently be restructuring.
- If not wishing to be a “department” could be called “Office of the Director of Public Health (ODPH)”
- If sited as distinct ODPH at transfer (lift and shift) would not create further changes in that directorate.

Legal Features

- The Director of Public Health could be positioned within ‘any’ of the Corporate Directorate arrangements of Plymouth City Council.
- The Director of Public Health should take responsibility for the management of the Councils new public health responsibilities with professional responsibility and accountability for their effectiveness, availability and value for money
- Their role is that of a statutory chief officer with direct reporting and accountability to the Chief Executive and direct access to elected members.
- They will need to have a highly visible public health role, and provide the public with objective advice on health matters as well as playing a lead role in the Councils health protections and public health improvement functions.

Objectives Fit

- Potential to embed Public Health in all areas of Council business.
- Ability to influence across whole Council.
- Legitimacy to influence ‘People’ Directorate.
- Being in the Place Directorate ‘may’ focus public health on that Directorate only.

Timescale and achievability

- The Public Health Team could go in the Place Directorate as an ‘Office of the Director of Public Health’.
- All achievable by 1st April 2013.

Financial Features

- Financial impacts assessed as neutral.
- Achieving public health outcomes would have to be prioritised against the available ring fenced budget for public health.
- Financial resources could be increased if the LA chooses to allocate more funds to Public

Health activity.	
Risks specific to this option	Mitigation
<ul style="list-style-type: none"> • Potential for public health team to be internally focused on the work of the Place Directorate, therefore not focusing on public health issues across the whole council. • The Public Health budget may be used for other purposes after the removal of the ring-fence 	<ul style="list-style-type: none"> • Would need clear agreed process for how other parts of the Council would work with Public Health Team and to utilize the dispersed leadership model in PCC.
Potential benefits	
<ul style="list-style-type: none"> • Strong fit between the current functions of Public Health and existing Directorate structures e.g. public protection services, transport, planning. • Potential to influence service areas /developments that impact on the wider determinants of health. • Good existing working relationships • Natural fit for transport and health legislation. 	
Potential drawbacks	
<ul style="list-style-type: none"> • Public Health influence could be limited to the 'Place' Directorate. • Public Health May lose some focus on wider determinant of health although it is recognised the people directorate is already responsible for certain areas that tackle the wider determinants. 	
Suitable if	
<ul style="list-style-type: none"> • Could create a distinct "Office of the Director of Public Health" within the wider directorate that retains responsibility for statutory and mandatory functions. • The public health team could then establish partnering arrangements with teams in other directorates. 	
Additional Comments	
This option could work well for PCC and public health if functions are organised within a suggested 'Office of the Director of Public Health'.	

Option 5: A Distributed/Virtual Public Health Team
Description / Characteristics
A "distributed" or "integrated" model in which Public Health responsibilities and staff work across Directorates or functions but maintain identity and focus through being a "virtual team" a "hub" or a "core and extended team". Overarching approach of this model is to have Public Health influence at senior and strategic levels and integration throughout all Council delivery functions. Specialist Public Health officers would work as distributed Public Health function across the Council with the creation of a virtual Public Health team approach.

<p>HR Features</p>
<ul style="list-style-type: none"> • Difficulty of siting and supporting a “virtual” Director of Public Health Office when team are dispersed. • Difficulty in maintaining identity and professional accountability as Public Health professionals. • There may be CPD, training and staff development issues if sited in a dispersed model. • Public health employees will be part of teams where work colleagues are on different terms and conditions. • Difficult to maintain overall Public Health skill set, but more positively will allow for “osmosis” of public health knowledge directly to PCC employees via closer working arrangements. • More complicated line management arrangements, particularly in terms of specialist reporting to DPH. • Would potentially highlight where there is duplication on tasks/roles earlier than other models.
<p>Legal Features</p>
<ul style="list-style-type: none"> • The Director of Public Health could be positioned within ‘any’ of the Corporate Directorate arrangements of Plymouth City Council. • The Director of Public Health should take responsibility for the management of the Councils new public health responsibilities with professional responsibility and accountability for their effectiveness, availability and value for money. • Their role is that of a statutory chief officer with direct reporting and accountability to the Chief Executive and direct access to elected members. • They will need to have a highly visible public health role, and provide the public with objective advice on health matters as well as playing a lead role in the Councils health protections and public health improvement functions.
<p>Objectives Fit</p>
<ul style="list-style-type: none"> • Potential to lose focus on key objectives when dispersed and there are other calls on public health capacity.
<p>Timescale and achievability</p>
<ul style="list-style-type: none"> • Difficult to put in place by 1st April. • Will require substantial staff consultation across the Council. • More time required to network back to other Public Health colleagues for specific expertise which may cause conflict of timescales and hold up pieces of work.
<p>Financial Features</p>
<ul style="list-style-type: none"> • Financial impacts assessed as neutral. • Achieving public health outcomes would have to be prioritised against the available ring fenced budget for public health. • Financial resources could be increased if the LA chooses to allocate more funds to Public

<p>Health activity.</p> <ul style="list-style-type: none"> • Greater coordination of resources would be required to achieve outcomes within a dispersed model. 	
Risks specific to this option	Mitigation
<ul style="list-style-type: none"> • The Public Health budget may be used for other purposes after the removal of the ring-fence • The perceived and collective strength of a Public Health 'Team' will be reduced. • The ability to deliver the Core Offer could be compromised. • The authority of the DPH will be diluted in relation to the ability to achieve key Public Health performance targets. • Split team - reduction to resilience and loss of expertise. • Reduces flexibility of team to respond to sudden urgent needs. • Reduces ability to bring most appropriate expertise to pieces of work. • Professional isolation. • Not a big enough Public Health team for each Council team/function to have its own Public Health specialist attached to it. 	<ul style="list-style-type: none"> • A lot of mitigation would be required and it would be time consuming to deal with all the challenges of this model.
Potential benefits	
<ul style="list-style-type: none"> • In time, possible for Public Health to become everyone's business IF the Public Health team is not spread too thinly across the Council teams. 	
Potential drawbacks	
<ul style="list-style-type: none"> • Fragmentation could lead to negative impact on performance. • Setting up management arrangements of a virtual team. • HR implications. • Small resource and so influence could be diluted. • Fragmentation of existing working relationships. • The strength of the Public Health team will be reduced. • The ability to deliver the Core Offer will be compromised. • The Public Health team is too small to make this option work. 	

- The ability to influence the host team is diluted.
- Doesn't allow skill mix of whole team to bring added value.
- Not enough people to share around all the teams to give Public Health support.

Suitable if

- The Council environment is conducive to having a virtual Public Health Team.

Additional Comments

- This is a high risk option for a small team and is therefore the least suitable.

Annexe G: The Specialist Public Health team in the Office of the Director of Public Health (ODPH)

At local level the ODPH specialist public health team includes the Director of Public Health, Consultants in Public Health, Public Health Managers, Public Health Commissioners, Specialist Public Health Intelligence and the Senior Support Team.

There are ten key areas of competence that the whole public health team work across and hold expertise in:

- i. Surveillance and assessment of population health
- ii. Promoting and protecting the population's health and well-being
- iii. Developing quality and risk within an evaluative culture
- iv. Collaborative working for health
- v. Developing health programmes and services to reduce inequalities
- vi. Policy and strategy
- vii. Strategic leadership for health
- viii. Working with and for communities
- ix. Research and development
- x. Managing people and resources

The ODPH specialist public health team have high levels of skills and expertise in the above competencies and all senior staff members are professionally registered to practice accordingly.

Directors and Consultants in Public Health have a key role in health improvement, health protection and service improvement, including provision of expert public health advice, support to clinicians and NHS commissioners. Public Health Consultants bring a population perspective to service planning and care pathway development, often acting as the 'honest brokers' between primary and secondary care clinicians and as 'critical friends' to other commissioners.

Directors and Consultants in Public Health have a sound understanding and experience of the sciences of epidemiology, statistics, health economics, social sciences, management studies, ethics and law. They are also competent in a range of academic, research, management, leadership, advocacy and strategic skills. They are able to communicate effectively with the public – for example by promoting understanding of health risks. And they work effectively with other agencies and individuals, including the media, to improve population health and well-being.

Directors and Consultants in Public Health may come from medicine and other professional backgrounds. In order to be appointed as a Director or Consultant in Public Health an individual must be on the specialist Public Health Register, and they are appointed to their post through a formally constituted Advisory Appointments Committee (AAC), which includes an external assessor, provided by the Faculty of Public Health, part of the Royal College of Physicians.

There are two routes to specialist registration; the first is through a five year training programme, which includes completing a Masters' Degree, and undertaking rotating placements in public health settings. In order to enter the training scheme, applicants must either have completed medical training or have a good first degree in a subject relevant to public health together with at least three years post-degree work experience in a relevant area, such as social science or a health professional qualification, such as nursing.

The training curriculum is devised and overseen through the Faculty of Public Health (soon to be the Royal College of Public Health), which is the standard setting body for public health. In order to demonstrate their ability to practice effectively, trainees must achieve over 100 competencies throughout their training and pass both written and practical skill examinations. On completion of training, successful candidates must be registered with a regulatory body. Those with a medical background must have full GMC registration and be on the GMC specialist register. Those with a non-medical background must be registered with the UK Public Health Register.

The second route to specialist registration is through retrospective portfolio, whereby those who have extensive experience and knowledge of public health (including a Masters' Degree) demonstrate achievement of all competencies through submitting evidence against each of over 100 standards.

Directors and Consultants in Public Health who are medically qualified are employed on the NHS consultant contract and are part of the NHS consultant body, with equivalent status and pay. Those Directors and Consultants in Public Health from backgrounds other than medicine are employed on senior NHS pay scales: Directors on the Very Senior Manager scale, equivalent to other NHS Directors, and Consultants at the top of the Agenda for Change scale at a level with terms and conditions similar to the NHS consultants.

All Directors and Consultants have a professional requirement for Annual Appraisal and continuing professional development which is organised through the Faculty and includes the requirement for an annual return to the Faculty demonstrating that they remain competent and up to date in order to continue their practice. Many have responsibilities for teaching public health at undergraduate and postgraduate levels and for training of medical and public health trainees.

Public Health specialist's professional competencies

All Consultants in Public Health require a professional registration to practice and will have demonstrated competence against a set of professional standards.

Consultants in Public Health will have achieved a high level of competence in the following nine key areas of public health:

- i. **Surveillance and assessment of the population's health and well-being.** This includes the qualitative and quantitative assessment of the population's health, including managing, analysing, interpreting and communicating information that relates to the determinants and status of health and well-being. Integral to this is the assessment of the population needs and its relationship to effective actions.
- ii. **Assessing the evidence of effectiveness of health and healthcare interventions, programmes and services.** This includes the critical assessment of evidence relating to the effectiveness and cost-effectiveness of public health interventions, programmes and services including screening. It concerns the application of these skills to practice through planning, audit and evaluation.
- iii. **Policy and strategy development and implementation.** This includes developing strategies and policies, and assessing their impact on health.
- iv. **Strategic leadership and collaborative working for health.** This includes leading teams and individuals, building alliances, developing capacity and capability, working in partnership with other practitioners and agencies, and using them effectively to improve health and well-being.

- v. **Health improvement.** This focuses on promoting the health of populations by influencing lifestyle and socio-economic, physical and cultural environment and health education for populations, communities and individuals.
- vi. **Health protection.** This includes prevention of the transmission of communicable disease, including through immunisation and vaccination; management of outbreaks and incidents; infection control; risk assessment; and environmental hazard identification.
- vii. **Health and social service quality.** This includes commissioning, clinical governance, quality improvement, patient safety, equity of service provision, and prioritisation of health and social care services.
- viii. **Public health intelligence.** This focuses on the systems needed for organisations to base policy and practice on sound intelligence, including surveillance; performance management; and cost-effectiveness analysis.
- ix. **Academic public health.** This includes the teaching of and research into public health.

Public Health Practitioners in the ODPH also have a range of professional competencies and qualifications, from a variety of disciplines, such as nursing, sports science, information sciences, business management etc. The ODPH public health team ensures that any public health programme or change is based on good evidence, is acceptable, and involves the most appropriate people to really make a difference and, most importantly, will reduce inequalities in health. The ODPH public health team is also concerned about what determines local people's health and well-being and the part that everyone plays in this.

The ODPH has a small and efficient Senior Support Team providing the day-to-day administrative, organisational and governance support functions for the ODPH and ensuring the smooth operation of the ODPH. The Senior Support Team are also fully trained 'Loggists' and are on standby call to provide key administrative support functions as part the emergency preparedness response for the Local Health Resilience Forum.

Specialty Training for Public Health: the ODPH is a Training Centre for the South West Public Health Specialty Training Programme which is organised by the Severn Deanery on behalf of the whole SW region. It provides a combination of academic training, service experience and skills based training in public health.

Annexe H: National Guidance on Public Health in Local Authorities (as at October 2012).

Public Health HR Concordat: November 2011

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_131186.pdf

Public Health in Local Government (factsheets): December 2011

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_131904.pdf

Public Health England's Operating Model (factsheets): December 2011

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_131892.pdf

Public Health in Local Government: Public health advice to NHS Commissioners: December 2011

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_131902.pdf

Public Health Transition Planning Support for Primary Care Trusts and Local Authorities: January 2012

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_132179.pdf

Public health workforce issues - Local government transition guidance: January 2012

http://www.local.gov.uk/c/document_library/get_file?uuid=624422f8-5207-457d-9487-19172beb548a&groupId=10161

Public Health Outcomes Framework: January 2012

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_132358

Baseline spending estimates for the new NHS and Public Health Commissioning Architecture: February 2012

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_132540.pdf

Healthy Lives, Healthy People: Towards a workforce strategy for the public health system: March 2012

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_133705.pdf

Guidance to local authorities and NHS on the appointment of a Director of Public Health during the transition period up to 1st April 2013: April 2012

<http://www.fph.org.uk/uploads/FPH%20guidance%20to%20LAs%20-%20FINAL.pdf>

Guidance to local authorities on the appointment senior public health consultants during the transition period up to 1st April 2013: April 2012

<http://www.fph.org.uk/uploads/Guidance%20to%20LAs%20on%20appointment%20of%20CPH%20-%20Aug2012.doc>

Guidance to support the transfer of public health functions from PCTs to local authorities: June 2012

<http://www.dh.gov.uk/health/2012/06/public-health-functions/>

Public health advice service for clinical commissioning groups: July 2012

<http://www.dh.gov.uk/health/2012/06/public-health-advice-to-ccgs/>

Resource pack for local health resilience partnerships: July 2012

<http://www.dh.gov.uk/health/2012/07/resilience-partnerships/>

Consultation on joint strategic needs assessments and joint health and wellbeing strategy guidance: July 2012

<http://www.dh.gov.uk/health/2012/07/consultation-jsna/>

NICE Public health briefings for local government: July 2012

<http://www.nice.org.uk/localgovernment/PublicHealthBriefingsForLocalGovernment.jsp>

Joint letter (from CMO and LGA Chief Executive) to local authorities, alerting them to the national guidance on 'filling of posts in receiving organisations': August 2012

http://www.local.gov.uk/c/document_library/get_file?uuid=6b3bafc4-60fa-4771-b40b-09731883daba&groupId=10171

Health Protection in Local Government: August 2012

<http://www.dh.gov.uk/health/2012/08/health-protection-guidance/>

Health intelligence requirements for local authorities: September 2012

<http://www.dh.gov.uk/health/2012/09/health-intelligence/>

Statutory and non-statutory guidance on the role, responsibility and context of the DPH, including post 1st April 2013 appointments guidance: October 2012

<http://www.dh.gov.uk/health/2012/10/public-director/>

Annexe I

Risk No:	Function	Potential Risk <i>Description of risk should be high-level potential risks that are unlikely to be fully resolved and require on-going control</i>	Risk Assessment Impact (1 to 5)	Raw Score Likelihood (1 to 5)	Red (15-25), Amber (5-12) Green (below 4)	Brief description of action plan to be taken or reference action plan	Residual Risk Owner / Leads	Red (15-25), Amber (5-12) Green (below 4)	Trend ▼ Worse ▲ Better ▶ stable	Date Risk identified	Review Date	Review Notes
1	Finance	Insufficient money in ring fenced PH budget to fulfil all local authority PH responsibilities	4	5	16	Commissioning and financial mapping is be consistently reviewed. Due diligence summary position to be produced on budget, outturn and variation against potential public health return values. Joint working between sender and receiver finance teams to establish the most accurate current spend and budget values.	SA / JW	12	▲ better	01-Sep-12	07/11/2012	
2	Performance	Performance will deteriorate during transition	4	4	16	Regular performance monitoring mechanisms to be maintained. Key performance indicators will be ragged and published through the PH Business Performance Report.	JW / KS / CM	12	▲ better	01-Sep-12	07/11/2012	

3	Commissioning	Insufficient resources available to commission full range of services needed	4	4	16	Mapping of current spend to understand present liabilities. Ensure contracts give flexibility to terminate if necessary. Identification of potential areas of decommissioning activity	JW / KS / CM	12	▲ Better	01-Sep-12	07/11/2012	
4	Workforce	Key staff will leave during transition	4	5	20	Ensure the right processes and policies are in place to ensure business continuity if staff leave.	BS / SD	12	▲ Better	01-Sep-12	07/11/2012	Recruitment protocol agreed with Cluster for vacant posts as they arise
5	Patient safety & Quality	Patient safety and quality risk will increase due to fragmentation of PH functions across a number of organisations	4	5	20	Unclear lines of accountability needs to be worked through, dependant on structures not yet in place.	DL	20	▼ worse	01-Sep-12	07/11/2012	
6	Health Protection	Health protection risk will increase due to fragmentation of PH functions across a number of organisations	5	5	25	Workshop is being planned to work through these issues	DL	25	▼ worse	01-Sep-12	07/11/2012	
		Test arrangements for the role of public health in emergency planning, in particular the	4	5	20	The key milestone of October is having to slip due to confirmation of the PH model. A scenario-based resource pack containing a 'menu' of items for use by Local Authorities and their partners to provide a level of assurance to	NV/SS	12	▲ Better	01-Sep-12	07/11/2012	Agreement to run desk-top resilience exercise on publication of agreed model - likely to be December

		role of the DPH and LA based public health - due end Oct:				all that the new EPRR structures and functions are well understood, workable and fit for purpose at local level, is under development by the Department of Health and will be issued early in September (likely to be published via the LGA website). This will help local areas meet this end of October NHS Operating Framework milestone. Date needs to slip to January 2013.						2012
7	Corporate	No clear operating model agreed for PH within local authority, CCG, NHSNCB, PHE	5	5	25	Robust and detailed options appraisal completed. Draft paper for CEO and portfolio Holder produced. Paper being presented to CMT in November and Cabinet in December for final sign-off.	CS / KE	5	▲ better	01-Sep-12	07/11/2012	Draft paper for integrating public health into Council produced - final model recommendation made.
8	Legal	Insufficient clarity on clinical risk negligence and its impact on LA insurance liabilities	4	5	20	Existing staff and systems to be transferred. Build strong clinical governance into contracts. Utilise existing LA good practice on contract management. Ensure Legal and procurement are aware of issues and working as part of the transition. Learn from other areas.	JW / MH	16	▲ better	01-Sep-12	07/11/2012	
9	IM&T	Proposed methods of accessing systems and datasets post-transition may not work. Information sharing protocols may	4	3	12	The proposed methods of accessing systems and datasets are being tested in September/October 2012. NHS Devon's Head of Public Health Intelligence is drafting a data sharing protocol to cover the whole of Devon. If this can be agreed, then there should be continuation of access to	RN	8	▲ better	01-Sep-12	07/11/2012	Devonwide IM&T meeting has now occurred to look at addressing the common issues and to identify the solutions. A

		not be agreed at all or on time.				data and systems post-transition.						IM&T action is plan now in place and is a part of the wider Intelligence transition Plan
10	Comms	Communication issues will emerge if a plan is not implemented by sender and receiver organisations	5	4	20	Development of agreed coordinated communication plan is now required that reaches the wider public that provides the key messages	CS / KE	8	▲ better	01-Sep-12	07/11/2012	Draft Comms plan now agreed, clear actions from respective organisations identified.
11	Core Offer	The draft core offer may not be agreed by (1) the city council, or (2) the CCG	4	3	12	The draft core offer is being discussed with Plymouth's Public Health portfolio holder and the Director for People on 14th September. This will highlight any amendments that might need to be made in order for the Core Offer to be acceptable to Plymouth City Council. Once similar processes have been carried out across Devon, the final core offer can be agreed and the accompanying work-plan developed and agreed between the relevant parties.	RN/KS	8	▲ better	01-Sep-12	07/11/2012	Each local authority will sign the MOU with CCG's and work collaboratively for each year with a named lead.
12	Accommodation	No confirmation of future accommodation for public health	4	3	12	Future accommodation could possibly be Windsor House, Civic or the Public Dispensary dependant on the agreed PH model. Notice has been given on the Dispensary this may prove to cause an issue if future accommodation is not confirmed it will have	KT/CT	6	▲ better	01-Sep-12	07/11/2012	N3 network yet to be resolved

						implications on other areas on the risk register such as, IM&T as sufficient networking would need to be arranged which may have financial implications and could affect timescales for the transition.					
13	Business Continuity	Business continuity needs to be maintained throughout pre and post transition	5	4	20	Business continuity for public health needs to be aligned with PCC	SS/ JW	20	▶ stable	17th Oct	07/11/2012

PLYMOUTH CITY COUNCIL

Subject:	Tamar Estuaries Management Plan 2013 – 2018
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Vincent
CMT Member:	Anthony Payne (Director for Place)
Author:	Kaja Curry, Green Infrastructure Officer
Contact:	Tel: (01752 (30)4339 email: kaja.curry@plymouth.gov.uk
Ref:	KC / TEMP 2013-18
Key Decision:	Yes
Part:	I

Purpose of the report:

This report proposes the adoption of the Tamar Estuaries Management Plan (TEMP) for 2013-18 of which a full copy can be found at www.plymouth.gov.uk/tecf . The Plan is a non-statutory document which sets out how all the Relevant Authorities, including Plymouth City Council, will manage their activities and work together in order to ensure statutory compliance with respect to the designation of the tidal waters as a European Marine Site under the Habitats and Species Regulations 2010.

Corporate Plan 2012-15

The TEMP 2013-18 is a cross-cutting strategy document, supporting a number of the Council's Corporate and Strategic objectives and aspirations.

Plymouth City Council's Corporate Plan 2012-15 reinforced the council's commitment to the overarching vision for Plymouth as first set out in "Towards a Sustainable Community Strategy" 2006 as to create "one of the Europe's finest, most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone". A high quality, well managed estuary is critical to achieving this vision. The European environmental designations for the Plymouth Sound and Tamar Estuaries must be taken into account as the City grows and the TEMP will help to ensure that sustainable growth supports the effective management and enhancement of the estuary complex.

The TEMP therefore primarily supports the corporate priority of "**Deliver growth**". It sets out the measures that needs be delivered in terms of the Plymouth Sound and Tamar Estuaries European Marine Site (EMS) in order that development can continue to take place. This will happen through the provision of policies and proposals which support environmental sustainability, marine employment, development of a public water transportation system, managing flood risk and impacts from climate change and development.

It also supports the delivery of the **Core Strategy** as it provides a framework for managing the waters which has been developed through close cooperation with the four port authorities, the neighbouring four local authorities, the Marine Management Organisation and others.

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

The main financial implication for Plymouth City Council is the continuation of the partnership funding for delivery of the TECF service through the Green Infrastructure Team. Budgetary provision is made for the continuing £7,247 contribution per annum for 2013/14, 2014/15 and 2015/16. Plymouth City Council's contribution therefore pulls in £35,074 partnership funding which represents a leverage rate of 1:4.8.

The Tamar Estuaries Management Plan also seeks to guide the actions of the responsible authorities, through for example, the implementation of their spatial planning functions and land management.

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

The Tamar Estuaries Management Plan includes policies that support the protection of environmental health, recreational safety, flood risk management and managing impacts of climate change.

Recommendations & Reasons for recommended action:

It is recommended that the Cabinet:

1. Adopt the Tamar Estuaries Management Plan 2013 – 18.

Reason: To support the sustainable management of the estuary and enable the City Council to fulfil its statutory requirements in relation to management of the Plymouth Sound and Estuaries Special Area of Conservation (SAC) under the Conservation (Natural Habitats, &c Regulations 1994) now updated and consolidated into the Conservation of Habitats and Species Regulations 2010.

Alternative options considered and reasons for recommended action:

1. No Management Scheme

The Defra Review (2012) identified that not having a single management scheme is only a viable option if there are no major issues. However, the Plymouth Sound and Tamar Estuaries European Marine Site has many complex issues given that it includes four port authorities, five local authorities, has a city with a strong growth agenda and is also a naval port. This option should therefore be discounted.

2. No Management Scheme but TECF is regarded as the management model.

The Defra Review (2012) identified that such an approach could provide an integrated approach and a forum for dialogue. However for the TECF area it is not a viable option as it does not include an overt recognition of the EMS and provides very limited focus on statutory issues which could impact on the integrity of the site and could therefore leave Plymouth City Council open to failing to meet their statutory requirements.

Background papers:

Tamar Estuaries Management Plan 2013-18. http://www.plymouth.gov.uk/tecf_temp20132018.pdf

The Conservation of Habitats and Species Regulations 2010.

<http://www.legislation.gov.uk/uksi/2010/490/contents/made>

A Review of Effectiveness of Management Schemes for European Marine Sites – Final Report”.

Contract Reference MB0113. Produced for DEFRA. 2012 <http://randd.defra.gov.uk/>

The River Basin Management Plan (Environment Agency 2009. "South West River Basin

Management Plan". www.environment-agency.gov.uk/research/planning/125027.aspx

Plymouth City Council. 2011. Local Development Framework Annual Monitoring Report.

www.plymouth.gov.uk/amr.htm

Sign off:

Fin	Place	Leg	JAR/	HR	N/ A	Corp Prop	N/A	IT	N/A	Strat Proc	N/A
PC.Pl ceF PCI2 13 010.0 61112 .		JAR/1 6005.									
Originating SMT Member: Paul Barnard Assistant Director for Planning											
Have you consulted the Cabinet Member(s) named on the report? Yes											

TAMAR ESTUARIES MANAGEMENT PLAN 2013-18

I. BACKGROUND

- 1.1. Since the late 1990s, the organisations who are responsible for collectively managing Plymouth Sound and the Tamar Estuaries have worked together to produce a single plan which sets out how the area is to be managed in order that the designated natural environment is maintained whilst still enabling the waters to be used for commercial, leisure, naval and scientific purposes. The Tamar Estuaries Management Plan (TEMP) 2013-2018 is the latest document and provides the latest integrated management framework for the sustainable management of the Tamar Estuaries and the full document is available to download from http://www.plymouth.gov.uk/tecf_temp20132018.pdf
- 1.2. Plymouth Sound & Estuaries are designated a Special Area of Conservation (SAC) under the European Union's Habitats and Species Directive 92/43/EEC, and UK the Conservation of Habitats and Species Regulations 2010. Sections of the Tamar Estuaries complex are also recognised as a Special Protected Areas under the Wild Birds Directive (1979). The two designated areas are collectively referred to as a European Marine Site.
- 1.3. The TEMP 2013-18 fulfils the statutory duty and responsibility for all Competent and Relevant Authorities to agree and deliver a single scheme of management with respect to the Plymouth Sound and Estuaries European Marine Site (EMS). The TEMP 2013-18 builds on the accomplishments of the TEMP 2006-12. These accomplishments include policy work such as helping shape the Marine and Coastal Access Act 2009, strategic work such as the adoption of a planning tariff to offset the impacts of increased recreation, the maintenance of the shared geographical information system for the Estuary, the production of information and interpretation such as the water users guide and the website, and ensuring that all new plans and projects are carried out in such a way as to avoid impacts on the EMS.
- 1.4. The TEMP has been developed through the Tamar Estuaries Consultative Forum (TECF) which is a partnership representing all of the Relevant Authorities who license activities which can impact on the designated site. All Relevant Authorities (as listed in 2.7) are currently being asked to formally adopt the Plan.

2. THE TAMAR ESTUARIES MANAGEMENT PLAN (TEMP) 2013-18

- 2.1. This latest management plan for the Tamar Estuaries is the fourth edition of this important document and builds further on the work which has gone before. The plan seeks to provide the framework for delivering a sustainably managed estuary and coast, ensuring that the resources of the area are there for everyone, both now and in the future.
- 2.2. The document sets an integrated coastal planning vision and framework for the Tamar Estuaries. The management area encompasses the limits of the Dockyard Port of Plymouth Order, and the seaward extent of the Plymouth Sound & Estuaries European Marine Site. This includes Plymouth Sound, the tidal limits of the rivers Tamar, Tavy, Lynher and Plym, and the Wembury coast up to the mouth of the Yealm Estuary.
- 2.3. The Tamar Estuaries Management Plan is a multi-functional document with objectives to:
 - maintain the European Marine Site in favourable conservation status thereby delivering statutory compliance for the European Marine Site;

- to agree, deliver, monitor and review the scheme of management for the additional economic and social benefits through an agreed 'sustainable management agenda' for the Tamar Estuaries and provide a framework for non-statutory partnership action
- 2.4. At the heart of the TEMP is the principle of delivering sustainable management for Plymouth Sound and the Tamar Estuaries through partnership action, integrating the different policies and actions that have an effect on the coast, and bringing together stakeholders to inform, support and implement these policies and actions in a coordinated and transparent way.
- 2.5. The TEMP facilitates a joint approach to the management of the estuary by describing the European designations for the waters, identifying which specific marine species and habitats are affected and the responsibilities and requirements of all the partners. It also describes the specific human activities which must be managed by the relevant authorities in order to secure compliance with European Legislation and sets out the measures that must be taken to protect the site. Finally the Plan provides a thematic plan which sets out the broader partnership actions under 10 themed topics which include coordination, monitoring and information management, landscape and biodiversity conservation, water quality, development and dredging.
- 2.6. The TEMP has been developed under the chairmanship of the Ministry of Defence's Queens Harbour Master by Tamar Estuaries Consultative Forum (TECF) which is a partnership which brings together the Relevant Authorities including local authorities, harbour authorities and statutory bodies in order to ensure the sustainable management of Plymouth Sound and the Tamar Estuaries. The plan has been devised with additional advice from the Port of Plymouth Marine Liaison Committee (PPMLC) and representatives from other stakeholders and user groups.
- 2.7. Membership of TECF currently consists of Plymouth City Council, Devon County Council, South Hams District Council, West Devon Borough Council, Cornwall Council, Ministry of Defence (Queens Harbour Master), Cattewater Harbour Commissioners, Sutton Harbour, Associated British Ports (Millbay), Environment Agency, Natural England, Devon and Severn Inshore Fisheries and Conservation Authority, Cornwall Inshore Fisheries and Conservation Authority, Marine Management Organisation, South West Water and English Heritage
- 2.8. The consultation process has involved press coverage, publication on the city council's website, notification through the consultation portal, stakeholder consultation events and use of electronic media. The consultation process has been in accordance with Plymouth City Council's Statement of Community Involvement and statutory requirements. TECF members have been involved in all stages of the development of the plan.
- 2.9. The Tamar Estuaries Management Plan and TECF were recently cited as successfully focusing on delivering statutory compliance in a recent study undertaken for the Department of Environment, Food and Rural Affairs into the effectiveness of management schemes for European Marine Sites. The same report also identified that TECF is very successful at engaging with wider stakeholders.
- 2.10. The TEMP 2013-18 is a 57 page document which is presented in four parts:
- **Part 1: Introduction** to the plan and it's approach;
 - **Part 2: Plymouth Sound & Estuaries European Marine Site** describes the European designations and the specific marine species and habitats that must be protected;

- **Part 3: Managing the Critical Risks** sets out the activities which must be managed by the Relevant Authorities in order to ensure compliance for the management of the Plymouth Sound and Tamar Estuaries European Marine Site; how monitoring and reporting will be delivered, how the authorities will work together and how Tamar Estuaries Consultative Forum (TECF) will bring added value. It is informed by Natural England's Risk Assessment of all human activities. It highlights the relevant authorities responsible for leading on particular actions and details the function that TECF will have.
- **Part 4: Thematic Management Plan** aligns the statutory activities with non-statutory partnership action to form a thematic plan. These themed topics have been developed by stakeholders through the management planning process and are as follows:
 - Coordination
 - Monitoring and information management
 - Landscape and biodiversity conservation
 - Historic environment
 - Water quality
 - Development and coastal change
 - Fisheries
 - Shipping, navigation and safety
 - Public access, recreation and moorings
 - Awareness, understanding and community engagement.

Each of the 10 themes in the full TEMP are laid out in the same way; first of all there is a section on the critical issues relating to that theme. Then there is section stating the objectives for each theme under the title 'what do we want?' and finally there is a table showing the list of actions by which the objectives will be achieved with more detail on priorities for the first few years.

3. PLYMOUTH SOUND & ESTUARIES EUROPEAN MARINE SITE

- 3.1. Plymouth Sound and Estuaries are designated a Special Area of Conservation (SAC) under the European Union's Habitats Directive 92/43/EEC, as implemented by The Conservation of Habitats and Species Regulations 2010. Sections of the Tamar Estuaries are also recognised as a Special Protected Area (SPA) under the Birds Directive 79/409/EEC on the conservation of wild birds, as implemented through the Wildlife and Countryside Act 1981 and through The Conservation of Habitats and Species Regulations 2010.
- 3.2. The aim of the Directives is to maintain the diversity of Europe's wildlife through the conservation of important, rare and threatened habitats and species. The two designated areas are collectively referred to as a European Marine Site (EMS).
- 3.3. Designation of the area as an EMS brings with it a legal requirement for the relevant and competent authorities to exercise their functions in such a way as to avoid adversely impacting on the designated habitats or species. Any one of the relevant authorities may establish a management scheme under which their functions are to be exercised but there can only be one management scheme for each European Marine Site.
- 3.4. This document therefore represents the single scheme of management for the Plymouth Sound and Estuaries European Marine Site. It has been written to provide guidance for the work of TECF and its partners, in delivering statutory compliance and best practice in the management of the Tamar Estuaries whilst also delivering broader economic and social benefits. The Habitat Regulations place a general duty on all statutory authorities exercising

legislative powers to perform these in accordance with the Habitats Directive. An EMS management scheme is viewed to be the most cost effective way to achieve this through providing a framework for management and cooperative working with other relevant/competent authorities, especially on large or complex sites.

- 3.5. This plan therefore sets out the statutory requirements for each Relevant Authority in order to ensure compliance with the Conservation of Habitats and Species Regulations 2010 and highlights where this can be achieved through joint delivery.
- 3.6. Measures are identified which address the issues raised in the risk assessment carried out by Natural England in 2010. This looked at all human activities, their likely risk of causing detrimental impacts on the sites and features of the European Marine Site and the actions required to address them. An adaptive management approach is taken whereby human activity is constantly reviewed and monitored in the light of new knowledge in order to minimise the detrimental impact on species and features that make up the European Marine Site.

4. COORDINATION

- 4.1. The Tamar Estuaries support a large range of commercial, naval and recreational activities. Combining these activities in an area valued for its natural and built heritage will result in conflicting interests. To ensure sustainable management of the estuary as a common resource, there is a need to coordinate these differing interests.
- 4.2. Since the production of the first management plan in 1997, TECF has brought those with an interest in Plymouth Sound and its estuaries into a beneficial partnership.
- 4.3. The Marine and Coastal Access Act 2009 has introduced further legal duties on new organisations in order to protect the marine environment whilst introducing additional designated marine sites which could overlap with the European Marine Site. This requires even more coordination to ensure the effective management of the Estuary and integration with other initiatives.
- 4.4. TECF is now a mature and effective partnership, providing a unique, responsive vehicle for coordination, planning and management. The partnership has enabled efficient delivery of the relevant authorities' statutory duties, and the pursuit of external resources to allow continued investment in the Estuary. It is therefore well placed to continue delivering considerable social, economic and environmental achievements for which it has a proven track record.
- 4.5. The key objectives for achieving coordinated management of the Tamar Estuaries are:
 - To coordinate those authorities with an interest and responsibility in the Tamar Estuaries through the provision of a forum for communication and debate.
 - To provide a mechanism for ensuring compliance by relevant authorities with their statutory duties of care for the estuary, its wildlife and habitats.
 - To provide and oversee an effective framework for the management of the Tamar Estuaries that resolves issues, delivers added value through partnership and collaboration and integrates with other protective designations.
 - To deliver 'added value' coastal management projects that support the new generation of plans such as green infrastructure and river catchment plans.

5. MONITORING & INFORMATION MANAGEMENT

- 5.1. High quality research and monitoring continues to be vital to the on-going management of the estuary. There is a constant need to improve our understanding of the ecological dynamics of the Tamar estuaries, and to monitor the progress of specific management decisions. A robust evidence base forms the corner-stone for planning so the relevant data is critical. Data sharing amongst organisations is becoming more common place but common approaches still need to be adopted.
- 5.2. The key objectives for achieving coordinated management of the Tamar Estuaries are:
 - To build on the integrated estuary-wide monitoring and research programme by sharing data and resources.
 - To secure best available data, collected economically, to form the basis of a decision making tool for the management of the estuary.
 - To ensure that management action is informed by good quality current data.

6. LANDSCAPE & BIODIVERSITY CONSERVATION

- 6.1. The valleys created by the waters of the Tamar, Tavy, Lynher and Plym combine to form one of the most dramatic landscapes of the South West. The rivers are an intrinsic and valuable component of the landscapes of Cornwall and Devon, and a contrasting feature from the plunging and exposed sea cliffs of South Devon and the Rame Peninsula, to the rolling valleys of the upper estuaries and wild Dartmoor. The quality of these landscapes is recognised through their designation as Areas of Outstanding Natural Beauty (AONB).
- 6.2. The area is highly designated with Sites of Special Scientific Interest as well as additional marine designations being introduced through the national programme to create a coherent network of Marine Conservation Zones throughout UK waters which will require integration with existing management practices.
- 6.3. Nationally the marine environment has seen a sustained decline in its condition which continues with loss of habitat and functionality as evidenced in the National Ecosystem Assessment 2011 (<http://uknea.unep-wcmc.org>). This has led to an increased understanding of the significance of safeguarding our ecosystems goods and services and the usefulness of an ecosystem based approach for management. Whilst this work has started within the Tamar area there is still much to do to assess the Estuaries as a whole and to put this management tool into practice.
- 6.4. Development pressures continue to affect the landscape and biodiversity and new approaches to biodiversity offsetting will need to be explored. Given that the Tamar has some real opportunities for habitat creation this is an area that will need considerable focus.
- 6.5. Recreational human activities also impact and careful monitoring and appropriate action is needed to reduce the effect on the natural environment.
- 6.6. The pressures for further coastal change brought about by climate change bring added complexity. The understanding of how the management of this coastal change will impact on the European Marine Site is emerging as an important requirement.
- 6.7. The key objectives for improving management of landscape and biodiversity conservation are:
 - To conserve, enhance and restore the distinctive character and beauty of the Tamar Estuaries.

- To achieve 'joined up' management of the neighbouring protected landscapes and marine designations.
- To raise awareness and understanding of the landscape and biodiversity of the Tamar Estuaries.

7. HISTORIC ENVIRONMENT

- 7.1. The Tamar Estuaries are nationally recognised as one of the richest maritime archaeological environments in the UK. In common with other estuarine and coastal locations the area has been used in a broad variety of ways. Estuaries can act as barriers, boundaries, places of entry and exit, highways, a means of communication and as a source of raw materials and on-shore and off-shore food resources.
- 7.2. Archaeological sites within such areas are often specialised in nature, relating to these estuarine/coastal specific functions (such sites may include wrecks, fish weirs, boat-building yards, quays, mills and military defences). Some of these sites have statutory protection including many Listed Buildings, Scheduled Monuments and a Protected Wreck in addition to a very large resource of undesignated historic environment assets. The estuaries also have the potential to preserve a long record of post-glacial environmental change within the inter and subtidal sediments. Part of the Tamar is within the Cornwall and West Devon Mining Landscape World Heritage Site. However much of the intertidal and sub-tidal heritage is still poorly understood and protected. This is a vulnerable resource subject to many threats and under the Marine and Coastal Access Act 2009, all applications for marine licenses must have regard for the historic environment. The key objectives for improving management of the maritime historic environment are:
- To improve the conservation and management of the maritime historic environment.
 - To promote awareness and understanding of the character and extent of the maritime historic environment.

8. WATER QUALITY

- 8.1. In the Plymouth Sound and Tamar Estuaries management area there are
- Six of the South West's 187 bathing waters;
 - One of the South West's 40 water dependent SACs ;
 - One of the South West's 9 water dependent SPAs;
 - Designated shellfish waters.
- 8.2. Water quality is also one of the headline indicators for sustainable development. The need for 'clean' water underpins the estuaries' ecological functions and will determine the quality of many of the commercial and recreational opportunities.
- 8.3. The River Basin Management Plan (Environment Agency 2009. "South West River Basin Management Plan". <http://www.environment-agency.gov.uk/research/planning/125027.aspx>) produced by the Environment Agency, sets clear targets for water quality for the waters of Plymouth Sound and the Tamar Estuaries as required under the water related European directives including the Water Framework Directive, Bathing Waters Directive and Shellfish Waters Directive. There are challenges meeting the requirements for the six designated bathing beaches at Plymouth Hoe and the shellfish waters on the Lynher and the Tamar, Tavy and South Devon are priority areas for Catchment Sensitive Farming.

- 8.4. Whilst the legislation that drives water quality is different from that controlling the management of the European Marine Site, nevertheless the outcomes are the same as the River Basin Management Plan has identified that water quality is being impacted by agricultural runoff, particularly higher up in the Basin, as well as other pollution discharges into the water.
- 8.5. Marine litter continues to be a problem which has an environmental, economic and social impact and innovative solutions are needed to prevent litter entering the water and to clear it up.
- 8.6. The key objectives for improving water quality are:
 - To achieve a water quality that is compatible with the estuaries' nature conservation interest and commercial and recreational usage as stated in the Water Framework Directive and the Marine Strategy Framework Directive.
 - To ensure that the estuaries remain, as far as practicable, free from marine litter.
 - To raise awareness and understanding of the water quality issues relevant to the Tamar Estuaries.
 - To assist with the implementation of the Water Framework Directive

9. DEVELOPMENT AND COASTAL CHANGE

- 9.1. The Tamar Estuaries are the focus of significant development pressure and commercial opportunity. Plymouth already has a high urban concentration and the City Council's stated vision is to become one of Europe's most vibrant waterfront cities. The waterfront is therefore under particular pressure from development. This new development can have both direct and indirect economic, social and environmental impacts on the estuary.
- 9.2. The urban areas of Plymouth have a strong growth agenda which has seen major developments within the city and particularly near the waterfront. During the period 2000 - 2010 the population of Plymouth increased by 7% to 258,700 and between 2006 – 2011 Plymouth has built 4,045 homes many of which are in the waterfront regeneration area (Plymouth City Council. 2011. Local Development Framework Annual Monitoring Report).
- 9.3. The estuaries already support an active marine sector that is major contributor to the local economy, supporting 12% of all employment in the city and 10% in the wider area. The commercial ports handles over 2 million tonnes each year; the largest quantities of bulk goods in the south west and a major cross channel ferry terminal with regular services to the Continent (DfT 2008) and it is highlighted as having the potential to contribute to the region's sustainable transport through investment in short sea shipping.
- 9.4. The waterfront and estuaries attract a wide range of local and foreign visitors and Plymouth now has a strategy in place to further increase visitor numbers by 800,000 (20%) by 2020 (Plymouth Visitor Plan 2011).
- 9.5. The marine and renewables sector is one of six identified as economic priority sectors for the City. Based around Plymouth's internationally respected academic institutions and naval related businesses, it has the potential to bring substantial economic benefits to the sub region.
- 9.6. Below high water, the Marine Management Organisation is tasked with developing plans for marine areas which will include the estuaries.
- 9.7. Climate change, including increased storminess and sea-level rises will impact on erosion, flooding and potentially alter the tidal flow regime in the estuary. Coastal protection works

will need to have regard for the natural environment opportunities provided by funds such as the Flood Defence grant in aid scheme.

- 9.8. These trends and activities continue to bring increased development pressure within the area's coastal zone. Business must be allowed to flourish, but in a manner that respects the sensitivities of the surrounding environment. However, due to the complexities of both the regulatory framework and the estuarine environment, decision-making in this area is frequently challenging. TECF, PPMLC and WAG are well placed to provide a readily accessible pool of local knowledge, expertise and guidance to inform development and commercial decision making.
- 9.9. The key objectives for addressing development and coastal change opportunities are:
- To ensure that the interests and integrity of the Tamar Estuaries are not compromised by inappropriate development and that net biodiversity gain is achieved wherever possible.
 - To ensure that development occurs in a sustainable manner, in accordance with the overall needs of the local community and with full regard for conservation interests of the estuary as a whole.
 - To support sustainable marine transport, commerce and tourism initiatives.
 - To integrate the coastal erosion and flood risk management schemes into the wider estuarine management.

10. FISHERIES

- 10.1. The fisheries of the Tamar Estuary are characterised by a mixture of commercial, recreational, and environmental concerns and interests. In 2009 over 10,000 tonnes were landed at Plymouth Fish Market worth nearly £9million (MCA figures from the Port of Plymouth Evidence Base) although little is caught within the European Marine Site itself.
- 10.2. There has been much change in the regulation of fisheries and it is now an area of shared responsibility between the Marine Management Organisation (MMO), Queens Harbour Master, Environment Agency, the Cornwall Inshore Fisheries and Conservation Authority (IFCA) and the Devon and Severn IFCA. As fisheries are an activity with the potential to impact on the European Marine Site, there is also a need for liaison with Natural England. Much work is needed to increase awareness of the regulations that govern fishing in the Estuary.
- 10.3. Under the Marine and Coastal Access Act 2009, parts of the Tamar Estuaries have been proposed as a Marine Conservation Zone in order to protect the South West's only known spawning ground for Smelt, a fish of which very little is known. This is in addition to the Upper Tamar Estuary also being the only known spawning site for Allis Shad in the UK
- 10.4. Concerns have been raised about the ecological impacts associated with intertidal bait digging and the shore crab fishery (crab tiling). Also recreational angling has grown significantly in popularity delivering social and economic benefits, but the possible impacts on estuaries are currently poorly understood and unquantified.
- 10.5. Finally climate change will result in changes to our fish species. More work is required to understand the impact this will have on our fishing industry.
- 10.6. The key objective for fisheries management is:
- To achieve the sustainable management of the Tamar Estuaries fishing resource

11. SHIPPING, NAVIGATION AND SAFETY

- 11.1. The Port of Plymouth is the largest naval base in Western Europe and sees 60,000 vessel movements every year. The commercial ports of Cattedwater, Sutton Harbour and Millbay handle over 2 million tonnes per year, the largest quantities of bulk goods in the South West (DfT,2008) and it is has the potential to appreciably contribute to the regions sustainable transport through investment in short sea shipping.
- 11.2. The statutory duty to protect the port and maintain safe navigation rests with the Queen's Harbour Master and civilian port authorities. In carrying out these duties there is need to ensure that any damaging impacts on environmental assets are minimised and conflicts with other users avoided.
- 11.3. The legislation controlling dredging activity has recently been tightened with additional controls being brought in for water injection dredging as well as maintenance dredging. The Dredging Protocol Baseline Document, as produced in 2011, provides the evidence base to inform the consenting process.
- 11.4. The key objectives for shipping, navigation and safety management are:
 - To provide for the continuing safe use of the estuaries by all types of vessel.
 - To protect the public right of free navigation within the constraints of the relevant legislation.

12. PUBLIC ACCESS, RECREATION AND MOORINGS

- 12.1. The waters of Plymouth Sound and the estuaries provide a highly valuable resource for public enjoyment, be it for watersports, angling, wildfowling, walking next to it or simply enjoying the view from the land. However these access opportunities to the water can be threatened by development and poor management. Slipways, wharves, piers, jetties, footpaths, roads and car parks form the critical infrastructure which enables this access.
- 12.2. The waterways of the Tamar are crucial to the public enjoyment of the recreational resource found within the estuaries. Promoting sustainable access to the estuaries must also be a primary approach to delivering wider understanding and awareness of the estuaries' value. There is a need to encourage access for both shore based and water based recreation.
- 12.3. The Tamar Estuaries and adjoining land accommodate a wide range of recreational activities such as walking and cycling, wildlife watching, sailing, angling, wildfowling, canoeing, jet skiing, water skiing, windsurfing, standup paddle boarding, sub aqua diving and swimming. Access and recreation also underpin significant and increasing economic activity for marine commerce and tourism.
- 12.4. The provision of moorings allows access to the water for boat users. Licenses to lay all private and public moorings in the Dockyard Port of Plymouth are issued by the Queen's Harbour Master. Mooring allocations are currently dispersed between a range of local authorities, moorings associations and sailing clubs.
- 12.5. The local population is set to rise with an estimated 20% increase in the number of Plymouth households during the period 2011-2031 (Plymouth City Council 2011. Local Development Framework Annual Monitoring Report) As the local population increases, so to does the demand for water based recreation. Since we know that water based recreation has the potential to impact on the sites and features of the European Marine Site it is critical that recreation is managed in order to avoid any negative impacts.
- 12.6. Key management objectives are:

- To ensure that existing public access to the estuaries and coast is maintained and publicised.
- To seek opportunities for improving the quality of public access.
- To avoid any disturbance arising from increased recreational activities due to population growth.
- To ensure an estuary-wide approach to the management of moorings.
- To improve information management about mooring facilities in the Tamar Estuaries.

13. AWARENESS, UNDERSTANDING AND COMMUNITY ENGAGEMENT

- 13.1. The sustainable management of the estuaries' assets will only be achieved through a wider understanding of the area's marine estuarine, biodiversity and cultural values. It is not sufficient for the scientists, experts, managers and regulators to understand that our estuary is unique. This message must also be communicated to our political audiences, to the estuary users and visitors and to the schools and young people of the area.
- 13.2. There is already considerable expertise and effort directed at providing high quality educational information about the specific sections of estuary and surrounding coast. However provision is currently uncoordinated and fragmented due to the wide range of voluntary, public and private sector organisations involved in delivery.
- 13.3. Key management objectives for improving awareness, understanding and community engagement are:
- To increase awareness & understanding about the natural & historic heritage of the Tamar Estuaries.
 - To achieve high awareness of TECF's role in delivering sustainable management of the Tamar Estuaries.

14. DELIVERY OF THE PLAN

- 14.1. The Plan will be delivered collectively by all the members of the Forum with key actions delivered by staff of Plymouth City Council through a contractual arrangement with the key Relevant Authorities who will make up the membership of the TECF Core Group. Other partners will be included through arrangement. In addition the Plan will be delivered:
- By pooling financial and intellectual resources thereby providing the most cost effective delivery mechanism;
 - By ensuring that the relevant authorities are aware of their statutory duties and obligations towards the estuaries' natural assets, and that they are supported in undertaking these duties in a manner that achieves favourable status for the European Marine Site;
 - By ensuring that mechanisms exist for open and transparent communication in a working environment characterised by shared and overlapping interests and responsibilities;
 - By providing an open and accessible pool of relevant expertise in the form of TECF and its working groups.
 - Through the guidance of a Core Group of the TECF funding partners who will guide the production of the delivery plan including the detail on individual project targets, milestones, timetables, performance indicators and project funding.

- By providing a vehicle to 'check and balance' the respective responsibilities and deliverables of the TEMP.
- 14.2. Actions in the TEMP are by necessity high-level and strategic. The detailed delivery will be through a prioritised 3-yearly plan which is developed through the TECF Core Group. For example it is known that there is an issue with poor water quality arising from storm overflows from sewage treatment works and that this in turn has an impact on the quality of the bathing beaches in Plymouth which could impact on the ability of Plymouth to achieve its vision of becoming one of Europe's finest most vibrant waterfront cities. This is addressed in the Plan with specific actions identified for Environment Agency to improve water quality in Part 3 Managing the Critical Risks of the Plan. Further actions are then identified in the Water Quality section of Part 4 where there is an action to 'Deliver bathing waters action plan' with the Environment Agency, South West Water, Plymouth City Council and South Hams District Council as being the key authorities involved. Further detail is provided again in the TECF Service Plan to deliver one project which tackles this issue over the next 3 years.
- 14.3. In this way, the TEMP 2013-18 provides the framework to hold stakeholders to account for delivering what they have agreed to as well as ensuring that Plymouth City Council plays its part through the management framework, delivery plan and monitoring activity.

15. IMPLICATIONS FOR THE CITY COUNCIL

- 15.1. Plymouth City Council is one of 15 Relevant Authorities responsible for the management of the European Marine Site. The Tamar Estuaries Management Plan 2013-18 and continued participation in Tamar Estuaries Consultative Forum fulfils the requirements of all Relevant Authorities in the management of the EMS.
- 15.2. The main financial implication for Plymouth City Council is the continuation of the partnership funding for delivery of the TECF service through the Green Infrastructure Team. Budgetary provision is made for the continuing £7,247 contribution per annum for 2013/14, 2014/15 and 2015/16.
- 15.3. The Tamar Estuaries Management Plan also seeks to guide the actions of the responsible authorities, through for example, the implementation of their land use planning functions and land management. It will be a matter for service providers to consider the detailed options for how they meet the objectives of the Plan, but no significant additional cost implications are anticipated.

16. NEXT STEPS

- 16.1. That Cabinet adopt the Tamar Estuaries Management Plan 2013-18.
- 16.2. The delivery of key milestones for the plan will then form part of the Planning Department Business Plan 2013-15 and will be delivered through the Green Infrastructure Team.

PLYMOUTH CITY COUNCIL

Subject: Local Transport Bodies: Major Scheme Funding and Prioritisation
Committee: Cabinet
Date: 11 December 2012
Cabinet Member: Councillor Coker
CMT Member: Anthony Payne (Director for Place)
Author: Juli Wileman, Major Schemes Project Manager
Contact: Tel: 01752 307703
Email: juli.wileman@plymouth.gov.uk
Ref:
Key Decision: No
Part: 1

Purpose of the report:

To update Members on the Major Transport Schemes that Plymouth City Council has submitted to the Heart-of-the-South-West Local Transport Body for consideration of Major Scheme Funding between 2015/16 - 2018/19.

Corporate Plan 2012 – 2015:

The major transport schemes detailed in this report all support the Council's priority of delivering growth. Significant growth is proposed on both the Northern and Eastern Corridors over the next fifteen years and improvements to the transport infrastructure along these corridors is required to enable developments to come forward. The schemes will help create the conditions for investment in quality homes, jobs and infrastructure. The Forder Valley Link Road will improve connectivity between the developments in the north of the city and those in the east, unlocking the potential for nearly 3,000 new homes and about 8,000 new jobs.

These schemes will benefit all road users, including bus passengers, cyclists and pedestrians. They will improve public transport reliability and increase the range of travel options available to all.

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

Implications on the Medium Term Financial Plan will not be known until the Heart of the South-West Local Transport Body has agreed its shortlist of Major Transport Schemes, and the number of schemes on that shortlist that are being promoted by Plymouth.

The revenue implications of developing all of the identified Major Transport Schemes to the point at which they could be delivered are estimated to be £2.8 million. However, it should be emphasised that only some of the nine schemes are expected to be taken forward for delivery between 2015 and 2019 as part of the devolved transport major scheme funding programme and these are to be determined by the Local Transport Body by July 2013. It is estimated that the revenue implications of taking forward this sub-set of the few schemes would amount to £1 million and these costs would be met from Transport and Infrastructure's revenue budget and Place Directorate's Consultancy budget

between 2013- 2015. £828,000 is available from the Transport and Infrastructure’s revenue budget between 2013/14 and 2014/15 and an indicative amount of £120,000 from the Place Directorate’s Consultancy budget.

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

None

Individual Equality Impact Assessments for each of the transport schemes will be undertaken as part of the Outline Business Case development.

Recommendations & Reasons for recommended action:

Members note the update on the list of Major Transport Schemes that Plymouth City Council has submitted to the Heart-of-the-South-West (HofSW) Local Transport Body for consideration of Major Scheme Funding between 2015/16 - 2018/19 and endorse the preparation of the required supporting business cases by March 2013.

Alternative options considered and reasons for recommended action:

None

Background papers:

Cabinet Report, 13th November 2012 “Local Transport Bodies and Major Scheme Funding”.
<http://www.plymouth.gov.uk/mgInternet/documents/s42326/Local%20Transport%20Bodies%20and%20Major%20Scheme%20Funding.pdf>

Sign off:

Fin	SDG /Plac eFT C12 130 04.2 111 12	Leg	JAR/ 1615 5	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Clive Perkin, Assistant Director for Transport and Infrastructure											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1.0 Background

- 1.1 Local major transport schemes have traditionally been approved and funded individually by Central Government under a centralised bidding process. In 2005/6 a Regional Funding Allocation (RFA) process was introduced for schemes over £5 million, which took the initial scheme prioritisation away from Whitehall and gave that responsibility to the then Regional Transport Board, but business cases for those individual schemes were still scrutinised by the Department for Transport (DfT) prior to the Secretary of State giving final approval to release the funding.
- 1.2 Through this RFA process Plymouth City Council had been allocated £77.2 million, between 2014/15 and 2018/19, for the Eastern Corridor High Quality Public Transport Scheme and £72 million for the Northern Corridor High Quality Public Transport Scheme, between 2018/19 and 2025/26. However following the creation of the Coalition Government in 2010 this RFA funding was withdrawn.
- 1.3 As part of its localism agenda, the Coalition Government is now giving local communities and businesses real control for decisions affecting local transport in their areas. Major scheme funding, which is the Department for Transport's largest bid-based fund, will now be devolved to democratically accountable Local Transport Bodies (LTB). These LTBs will have responsibility for making decisions on which schemes would be allocated devolved funding and ensuring that there are effective delivery and accountability arrangements in place.
- 1.4 At the end of September 2012, the four authorities based on the HotSW Local Enterprise Partnership (LEP) geography, those being Plymouth City Council, Devon County Council, Somerset County Council and Torbay Borough Council, confirmed to the DfT that they will create a LTB.
- 1.5 DfT proposes to provide LTBs with their indicative funding allocations during December, but these will not be confirmed until announcements on the next Comprehensive Spending Review are made towards the end of 2014. These funding allocations will be for the period 2015/16 to 2018/19 and will be allocating £1.1bn across all the LTBs in England (excluding London) based on a forecast population in each LTB in 2017. It is anticipated that the HotSW LTB will therefore receive approximately £40 million over the four year period.

2. Major Scheme Funding and Prioritisation

- 2.1 DfT has asked the HotSW LTB to provide them with its agreed programme of prioritised major transport schemes by July 2013. This will then become the programme of approved schemes to receive Major Scheme funding and for which business cases will need to be developed by the scheme promoter and the necessary approvals obtained prior to construction. DfT is looking at having schemes that are ready to start construction in 2015.
- 2.2 Each Local Transport Authority (LTA) has considered which schemes they would like the LTB to allocate funding towards and collectively they have appointed transport consultants Parsons Brinkerhoff to establish a base set of data which each LTA will need to provide for each of their schemes. Across the four authorities, a total of 26 schemes have been identified to be considered for prioritisation.

- 2.3 This list of 26 schemes now needs to be condensed into a shortlist of schemes that will be allocated Major Scheme funding. In order to do this, the LTB is currently considering what criteria the schemes should be prioritised upon and once this has been agreed an overall scoring matrix will be produced. The final shortlist will need to be approved by LTB Members by July 2013 and these will then be the schemes which will receive Major Scheme funding, subject to approval of the full business cases.
- 2.4 Plymouth is pursuing an ambitious plan-led strategy for growth through the Local Development Framework (LDF). The Local Transport Plan (LTP3) 2011-2026 Implementation Plan complements the LDF by setting out the Major Transport Schemes that need to be delivered over the next 15 years in order to provide the right conditions to enable this growth to be delivered. The main focus of these schemes will be on the Eastern and Northern Corridors, linking key employment and service areas identified by the LDF and Local Economic Strategy; however some schemes are on the Western Corridor and in the City Centre.
- 2.5 Transport modelling work has been undertaken to help understand which of these schemes are the immediate priorities. The evidence so far shows that nine, as outlined in Table 1 below, need to be delivered by 2018/19 and these are the schemes Plymouth has submitted into the LTB prioritisation process. (Eight of these schemes had previously been allocated RFA funding, as they were key components of the Eastern and Northern Corridor High Quality Public Transport Schemes.)
- 2.6 Six of these schemes will be on the Northern Corridor, which is one of Plymouth's strategic routes for public and private transport and is used by 30,000 vehicles a day. Travel demands on the corridor are set to grow significantly in the future as a result of extensive planned development (retail, business, residential and leisure) and significant investment in transport provision will be required to avoid the impacts of unchecked traffic growth and congestion. The Derriford Transport Strategy 2006-2021, a supporting document to the Derriford and Seaton Area Action Plan (AAP), sets out the requirement for the Forder Valley Link Road, Forder Valley Road widening, Derriford Roundabout and Marjon Link Road schemes. These four schemes will all support the delivery of nearly 3,000 new dwellings and 8,000 new jobs within the Derriford and Seaton area, as proposed in the AAP. The Woolwell roundabout improvements and the new section of dual carriageway of the A386 between Woolwell roundabout and the George Junction address current congestion problems, as well as providing for future growth.
- 2.7 One of the city's largest areas of planned growth is to the east of the city along the Eastern Corridor. By 2026 this corridor will accommodate in excess of 7,000 new homes and 108,000 square metres of new commercial development, predominantly delivered through the Morley Park and Sherford developments. The Cattedown roundabout and Pomphlett roundabout to The Ride schemes will deliver a significant part of the transport infrastructure required to mitigate the impacts of these developments.

Table 1: Plymouth's Priority List of Schemes for Consideration by the LTB

Title	Scheme Description	Current Capital Cost (£m)	Outturn Capital Cost (£m)
Forder Valley Link Rd (FVLR)	The FVLR will provide a connection between Brest Road and Novorossisk Road, across the Forder Valley. It is a critical strategic requirement to enable the sustainable delivery of planned developments in Derriford. It provides connectivity, additional network capacity and reduces pressure on the A38/A386 junction at Manadon, one of the key congestion hot-spots in Plymouth. The link is also essential to provide for increasing demands for cross city links, particularly between Derriford and the new community of Sherford and employment development at Langage.	13.8	15.2
Forder Valley Road Widening	The widening of Forder Valley Road is a key piece of infrastructure required to support the delivery of the FVLR, the requirement for which is described above.	6.2	6.9
Woolwell to the George	The section of the A386 Tavistock Road between Woolwell Roundabout and the George Junction is compromised by limited highway capacity, due to lengths of single carriageway. This scheme will utilise the existing Devon County Council widening line to construct a new section of dual carriageway. It will overcome many of the current congestion issues at this location, provide better, more reliable access to the Park and Ride and provide capacity for future growth.	3.3	3.6
Woolwell Roundabout	This scheme to convert Woolwell Roundabout to a signalised junction has been developed in order to overcome many of the current congestion issues at this location, improve bus reliability and provide capacity for future growth	3.6	4.0
Derriford Roundabout	This scheme to convert Derriford Roundabout to a signalised junction has been developed in order to overcome many of the current congestion issues at this location, improve bus reliability and provide capacity for future growth	9.8	10.8
Marjon Link Road	This scheme will convert Marjons Link Road to a two way, bus only road. It will form a key element of a sustainable transport infrastructure package to support the large scale development plans on the Northern Corridor.	1.4	1.6
Cattedown roundabout	Cattedown Roundabout is a significant pinch point on the transport network, often close to capacity. This scheme will convert it to a signalised junction, with the provision of public transport, walking and cycling priority. It will overcome many of the current congestion issues at this location, improve bus reliability and provide capacity for future growth	5.5	6.1

Pomphlett roundabout to The Ride	Pomphlett Roundabout is a significant pinch point on the transport network, often close to capacity. This scheme will convert it to a signalised junction, with the provision of public transport, walking and cycling priority. It is also proposed to provide bus lanes along Billacombe Rd to the Ride. These improvements will overcome many of the current congestion issues at this location, improve bus reliability and provide capacity for future growth.	5.1	5.6
Union Street – Octagon to Derry's Cross	This scheme will help facilitate the redevelopment of the city centre and key development sites at the Pavilions, Millbay and the west end of the city centre. It will improve pedestrian, cyclist and bus provision and access between the city centre and Millbay areas.	3.2	3.5
Total Cost		51.9	57.3

N.B. The outturn cost is an estimate as to what the scheme will cost in 2017, which is the mid point of the Major Scheme Funding Period and assumes inflation at 2.5% year.

- 2.8 The location of the schemes identified in the LTP3 Implementation Plan, but not included in the top nine immediate priorities are: Laira Road Bridge additional lane; A38 Deep Lane Junction and Langage Access Improvements; Billacombe Rd – Stanborough Cross bus lanes; Morley Park Cycle Path and the A379 Park and Ride (all on the Eastern Corridor) Outland Rd and Alma Rd improvements; North Hill; Mutley Plain; North Cross roundabout; Railway Station Gateway and Central Park cycle path (all on the Northern Corridor); Tamar Crossings (on the Western Corridor); and Royal Parade and Charles Cross roundabout (in the City Centre). It is anticipated that these schemes will be required to be delivered in the period 2019-2026.
- 2.9 In preparation for the prioritisation exercise, Plymouth Transport and Highways Major Scheme Team is currently developing Outline Business Cases for the nine identified schemes. These business cases, which will be ready by March 2013, will provide details on the need for the scheme, costs, risks, delivery programme and value for money. This development work will progress alongside the HofSW scheme prioritisation process and it should be noted that both pieces of work may result in this list of nine schemes being refined to a smaller number, as scheme criteria and priorities become clearer.
- 2.10 It is recognised that not all of the nine schemes will receive Major Scheme funding between 2015/16 and 2018/19, however the preparation of business cases for those that are not successful will put Plymouth in a good position for bidding for any future funding opportunities that will come along. They will also help inform the basis upon which the Council will negotiate future S106 and CIL developer contributions to help deliver the schemes and the planning permission for developments as they come forward.

PLYMOUTH CITY COUNCIL

Subject:	Capital Investment Delivery for Marine Academy Plymouth Free Primary School
Committee:	Cabinet
Date:	11 December 2012
Cabinet Member:	Councillor Williams
CMT Member:	Carole Burgoyne (Director for People)
Author:	Gareth Simmons, Head of Capital Strategy
Contact:	Tel: 01752 307161 Email: gareth.simmons@plymouth.gov.uk
Ref:	
Key Decision:	Yes
Part:	I

Purpose of the report:

To support the Marine Academy Plymouth (MAP) in the delivery of a new two Form of Entry (2FE) primary school, in an area where there is a growing deficiency in primary school places; by seeking Cabinet approval for the Council to act as the procurement agent, and to waive Clause 18 of Contract Standing Orders.

Corporate Plan 2012-2015:

This project aligns with and supports the following corporate priorities:

- Deliver growth and promote Plymouth as a thriving growth centre by creating the conditions for investment in quality new homes, jobs and infrastructure. This investment will improve education infrastructure that supports the growth of the city, by supplying good quality education provision, that meets the growing demographic need for primary education places; making the city an attractive place to live and work. This paper brings to Cabinet opportunities for substantial investment into the city.
- Raise aspiration and the skills and expectations of Plymouth residents to ensure our young people achieve a better start in life. The investment this paper describes will improve the diversity of choice for primary education in the city.
- Reduce inequalities by reducing the large economic and health gaps between different areas of the city by improving the educational offer in an area of deprivation. The proposals in this paper are targeted at narrowing the gaps in inequality of education that exists in the city.
- Provide value for communities and to become more efficient and joined up with partners and local residents to deliver services in new and better ways. These proposals seek to support the MAP, a partner organisation brokered by the Council to achieve the maximum value for the community it serves. In addition this project supports the delivery of the Council's Basic Need requirements.

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

The sum of £3,865,870 has been approved by the EFA to meet the cost of constructing a new 2FE primary school on the MAP site. Conditional acceptance of the funding was confirmed by the Acting Chief Executive on 17 October 2012. This sum is assessed by the EFA and Framework Contractors to be a fully funded to capital budget including: fees, furniture and equipment, ICT, and fit out.

The budget breakdown of costs is as follows:

Construction and ICT infrastructure	£3,267,071
Furniture and equipment	£215,488
Total D& B Contract Sum	£3,482,559
Loose Furniture and Equipment	£233,221
Client Fees, Legal and Project Management	£150,000
Total Allocation	£3,865,780

Within the fee element of the funding award, the sum of £150,000 is top sliced for the Council to use for legal, project management and procurement costs. Based on an analysis of costs, this top slice is likely to be sufficient to fund the full costs of managing a project. However, if required, the academy sponsors may agree to meet additional costs above this provision to secure additional services.

The Council will opt to tax the MAP site as an insurance to protect the Council's ability to recover input tax, should it be deemed by HM Revenue & Customs that the lease is not a true peppercorn lease.

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

- Schools are a key facility in their local communities; supporting wider cohesion in the community.
- Investment in a deprived area of the city, reducing economic inequalities and Child Poverty.
- An Equality Impact Assessment has not been completed as the investment in school buildings would be designed to current building regulations which are fully DDA compliant. In addition, these are community facilities which are open to all; therefore issues surrounding discrimination on the basis of age, faith, gender, race, or sexual orientation are not applicable.
- A fully compliant risk register will be developed for the project.

Recommendations & Reasons for recommended action:

1. That Cabinet confirms that the Council should act as the procurement agent for the creation of a new school on the site of the Marine Academy Plymouth.
2. That Cabinet give authority to waive Clause 18 of Contract Standing Orders and place the construction contract with BAM Construction Ltd for the Design and Build works contract.
3. That the authorisation of the scope and quality of the work be delegated to the Director for Place.

Reasons for these recommendations are to comply with the EFA approval process that contractual decisions should be made with speed and efficiency and to fully comply with the Council's constitutional arrangements, ensuring that this centrally allocated investment is delivered through the EFA Construction Framework process and procedures, to ensure the children who will attend the new school will have suitable, purpose built accommodation in which to be educated.

Alternative options considered and reasons for recommended actions:

Careful consideration was given to the Council declining the funding from the EFA and not becoming the procurement agent for the project. Whilst there would be alternatives for the MAP and the EFA to pursue the completion of the project, this option would result in an increased liability to the Council's existing contract on the same site, and would have resulted in delaying the building's opening, which would have been considerably more detrimental to children's education. It would also have been damaging to the Council's reputation with a key Government department and, as co-sponsor of the MAP, its relationship with the University of Plymouth and the Academy itself.

Background papers:**Part I**

1. [Capital investment delivery for Marine Academy Plymouth and All Saints Academy, Plymouth. Cabinet 18 October 2011](#)
2. Quarter 2 Finance Monitoring Report placing the project into the Capital programme on the 8 December 2012

Part II

1. Funding offer from EFA to Acting Chief Executive dated 21 September 2012. Exemption Paragraph 3 applies.
2. Conditional acceptance of funding offer by Acting Chief Executive to EFA dated 17 October 2012. Exemption Paragraph 3 applies.

Sign off:

Fin	AF/PeopleF EC12 13 010.2 6.10.1 2.	Leg	TDH 15/11 /12@	HR	N/A	Corp Prop	N/A	IT	N/A	Strat Proc	JK/S PU/J K/301 /1112
Originating SMT Member: Maggie Carter and Clive Perkin											
Have you consulted the Cabinet Member(s) named on the report? Yes											

CAPITAL INVESTMENT DELIVERY FOR MARINE ACADEMY PLYMOUTH FREE PRIMARY SCHOOL (PART I)

1.0 Background

1.1 In July 2012, the Secretary of State for Education, Michael Gove MP, announced his support for the creation of a new primary school, built on the site of and affiliated to the Marine Academy Plymouth (MAP). The new school will be able to start taking students from September 2013. The Council supports the basic need for additional primary school places in the area of the Academy and, as a co-sponsor of MAP, supports the community ethos of the proposed school.

1.2 The Education Funding Agency (EFA) has confirmed a capital budget of £3,865,780; to construct a new building to accommodate a two Form of Entry (2FE) school. On 2 September 2012, the EFA wrote to the Acting Chief Executive proposing that the Council act as delivery agent for the capital build a role similar in manner to that which the Council is already undertaking with other major academy and UTC (University Technology College) contracts within the city.

1.3 This capital investment would continue to stimulate the construction industry in Plymouth; such a capital sum would be likely to sustain and/or create 50 jobs and support an apprentice in the construction industry. When complete the school will employ approximately 38 staff and there will be many ancillary employment benefits in the supply chain.

1.4 This paper seeks: to confirm Cabinet's support for this strategically important project; the approval of the procurement arrangements and let of the building contract; and delegate the final approval of the quality and scope of the works to the Director for Place.

2.0 Final Implications

2.1 The sum of £3,865,870 has been approved by the EFA to meet the cost of constructing a new 2FE primary school on the MAP site. Conditional acceptance of the funding was confirmed by the Acting Chief Executive on 17 October 2012. This sum is assessed by the EFA and Framework Contractors to be a fully funded to capital budget including: fees, furniture and equipment, ICT, and fit out.

2.2 Under the terms of the EFA Framework the contract budget will be equated to fixed contractual sums. The scope of the works delivered by the design and build contractor is a variable throughout the procurement and the quality and quantity of the offer is what will be evaluated using the EFA's strict procurement process.

2.3 The budget breakdown of costs is as follows:

Construction and ICT infrastructure	£3,267,071
Furniture and equipment	£215,488
Total D& B Contract Sum	£3,482,559
Loose Furniture and Equipment	£233,221
Client Fees, Legal and Project Management	£150,000
Total Allocation	£3,865,780

2.4 It should be understood that acting as procurement agent the Council will take on liability for the project. The EFA Framework contract is client biased and offers an amount of comfort that much of the risk is transferred to the contractor. However, should there be a legitimate contractual claim Plymouth City Council will be exposed to any costs incurred. This is also mitigated through the relationship with the University who is the main sponsor.

2.5 Within the fee element of the funding award, the sum of £150,000 is top sliced for the Council to use for legal, project management and procurement costs. Based on an analysis of costs, this top slice is likely to be sufficient to fund the full costs of managing a project. However, if required, the academy sponsors may agree to meet additional costs above this provision to secure additional services.

- 2.6 The Council's time in gaining internal approvals, letting and monitoring the building and technical advisors' contracts cannot be recovered against the allocated funding. This represents the Council's co-sponsorship contribution in support of the project.
- 2.7 The on-going operation and condition liability of the new school will fall to the MAP and the Government, so there are no direct revenue or on-going capital costs falling to the Council.
- 2.8 The commercial risks to the project and the council are set out in more detail in the Part II paper.
- 2.9 The treatment of VAT has been simplified following a change in VAT legislation in April 2011, which means that all academies are now able to reclaim any VAT which they incur. The MAP is an academy trust that comes under this legislation.
- 2.10 Although an Occupational License (OL) has been granted to MAP, this OL has been amended during the construction period, so that the Council will retain an interest in the land. A further amendment will be required for the MAP II contract. The Council will contract with the contractor and incur all the design and build costs. The Council will make contract payments and receive funding in the form of a capital grant from the Department for Education. Once the works are completed, the OL will expire and a 125-year peppercorn lease granted to the MAP.
- 2.11 Provided that the lease granted to MAP is a true peppercorn, i.e. a lease granted for no consideration in money or kind, then the Council is able to fully recover the VAT relating to the construction contract. If the lease does not represent a true peppercorn lease, however, then the grant of land would be made in the course of business. The default liability of a supply of land is exempt from VAT, but this could result in a proportion of the Council's VAT becoming irrecoverable, potentially at a cost of more than £1 million.
- 2.12 The Council will opt to tax the MAP site as an insurance to protect the Council's ability to recover input tax, should it be deemed by HM Revenue & Customs that the lease is not a true peppercorn lease

This page is intentionally left blank

PLYMOUTH CITY COUNCIL

Subject: Extra Care Housing Services
Committee: Cabinet
Date: 11 December 2012
Cabinet Member: Councillor McDonald
CMT Member: Carole Burgoyne (Director for People)
Author: Debbie Butcher, Head of Strategic Commissioning
Contact: Tel: 01752 307452 Email: debbie.butcher@plymouth.gov.uk
Ref:
Key Decision: Yes
Part: 1

Purpose of the report:

This report summarises the recent tender process for the commissioning of Extra Care Housing Services and recommends the award of a number of contracts:

Contract 1 - Combined Care and Support Service for 6 Schemes (mainly older people)

Contract 2 - Combined Care and Support and Social Inclusion Service at The Orchard (for 8 people with a learning disability)

Contracts 3 to 8 - Social Inclusion Services at each of the 6 Schemes (mainly older people)

The contracts to deliver Care and Support within the 7 Extra Care Housing Schemes in Plymouth are ending in April 2013. Plymouth City Council has used this as an opportunity to review, reshape and tender for improved services. With the help of service user engagement, research into a range of extra care housing models and help from critical friends Adult Social Care is now taking forward a model of delivery sustainable for the next 6 year period. The services delivered within the 7 Extra Care Housing Schemes currently operate at a cost of circa £2,000,000 per annum.

The aim of this procurement is to achieve the following strategic priorities:

- Alignment of services to the new ASC operating model
- Improved choice and control for service users

Contract award information is submitted to Cabinet as a separate confidential report.

Corporate Plan 2012 – 2015:

The service will support the following priorities with the Corporate Plan 2012 – 2015:

- **Deliver growth:** through the procurement of care, support and social inclusion services.
- **Raise aspiration:** raise the skills and expectations of Plymouth residents.
- **Reduce inequalities:** reduce the large economic and health gaps between different areas of the city by tackling the causes.
- **Provide value for communities:** become more efficient and join up with partners and local residents to deliver services in new and better ways.

In addition, the commissioning of these services is fully in line with the development of Plymouth City Council as a Co-operative Council as it supports the aims of;

- Devolving power and encouraging greater community engagement
- Greater control for individuals of the services they receive
- Strengthening the community/voluntary sector

This service will also deliver:

Medium Term Outcome Measures

- Social Care clients receiving self-directed support, direct payments & individual budgets
- Customer satisfaction with the council offering value for money
- Increase in the value of commissioned goods and services

Medium Term Operational Focus

- Adult Social Care transformation around personalisation and choice
- Working with other organisations to reduce costs and improve services

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

The total contract value of the new services (over 3 years) will be in the region of £6,136,371, but is expected to fluctuate in line with service users changing needs (NB. this figure does already incorporate an assumed increase in client need).

Provision has been made for this expenditure within the medium term financial plan. The new contract is modelled on the amount of care and support delivered within extra care housing during 2011/12 and therefore will vary during the lifetime of the contract

The reshaping of this service provision will effectively deliver the personalisation agenda to support the delivery of choice and control. In addition the new preventative Social Inclusion service will also be reaching out to a wider number of vulnerable people in the community to prevent loneliness and isolation; thus reducing demand on Adult Social Care budgets going forward.

Management action will ensure that the care levels within the Extra Care Housing are contained within the contract (and therefore resources available).

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

An Equality Impact Assessment has been completed. No adverse impacts were identified; however contract monitoring arrangements will continue to assess any impacts post contract award.

http://www.plymouth.gov.uk/extra_care_housing_services_procurement_eia.pdf

Recommendations & Reasons for recommended action:

To award contracts for a period of three years, containing options to extend the contracts for a further three years, to the 'most economically advantageous tenderers' as identified in the Contract Award Report (Part II report).

Alternative options considered and reasons for recommended action:

The option of not awarding contracts was considered but disregarded due to the importance of now establishing modernised and well-coordinated services across the 7 Extra Care Schemes in the City.

Background papers:

None

Sign off:

Fin	SA- PeopleFAC1213 007.21-11-2012	L e g	I6037/ALT	HR		Corp Prop		IT		Strat Proc	JK/SPU/ CP/300 /112
Originating SMT Member: Pam Marsden											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I. BACKGROUND

In 2005 Cabinet agreed that the strategic direction that the Local Authority should follow was a move away from residential provision towards a model where people live as independently as possible in their homes and communities. Central to delivering this vision is the development of alternative options such as 24 hour care and support within **Extra Care Housing**.

Working closely with partners such as the Department of Health, Homes and Community Agency, Registered Social Landlords and Domiciliary Care providers we have pursued an ambitious growth agenda for extra care housing. Often these developments have been in regeneration areas and as a result are part of a wider plan to ensure that services are placed in the communities that most need them. There are now 7 extra care housing schemes established in the city.

The contracts to deliver care and support within the 7 extra care housing schemes in Plymouth are ending in April 2013. This has brought an opportunity to align the services to the wider policy reform set out in Putting People First: A Shared Vision and Commitment to the transformation of Adult Social Care (2007) and Think Local Act Personal (DH 2010) which includes the mainstreaming of personal budgets. Alongside these developments there has been an increased understanding nationally of the importance of supporting active ageing, reducing social isolation and responding to the loneliness agenda.

Extensive consultation has taken place with service users and current providers and we have developed a model of care and support provision that has been positively received.

2. CURRENT SITUATION

Within the 7 extra care housing schemes in Plymouth, which have in total 266 one and two bedroom flats, 6 provide homes for mainly older people, people dementia and people with disability to live independently (a small number of flats are owned or shared ownership) and one provides 8 flats for adults with learning difficulties to continue to live independently. A further specialisation is provided at Pocklington Rise which provides homes to enable older people with a visual impairment to live independently. Each of the extra care housing schemes have been purpose built and include in their design good spaces for people to enjoy communal socialising alongside retaining the independence of living in their own flat. Included in a number of these are 7 pathway flats that enable people to try out living more independently or move gradually from a more dependent living situation into greater independence – this might be following a period of hospitalisation or when people are contemplating a move from a difficult home situation into a more sheltered situation.

As the extra care schemes have been developed over the last 8 years there has been the opportunity to explore and try out a range of approaches to the delivery of care and support. In the majority of the schemes we have established separate care contracts and separate housing related support contracts which sit alongside a Housing Management role provided by the housing provider. These 3 inter-related aspects of support have mostly worked well together, however it became apparent that at times these roles have overlapped in a way that has led to reduced efficiency and a level of uncertainty about roles for both providers and service users.

We have therefore reviewed the provision within extra care housing with the aim of achieving good quality, coordinated services that provide choice and control, and which work effectively together to ensure efficient services are delivered.

Scheme	Number of flats	Housing Management	Housing Support (Supporting people funded)	Social Inclusion Service	Domiciliary Care	Night Cover
Astor Court	30	Spectrum	Ridgeway / Aster Life		Caretime Services Ltd	1 waking night
St Paul's Court	40	Ridgeway / Aster Life	Ridgeway / Aster Life		Caretime Services Ltd	1 sleeping night
St Barnabas	32	Ridgeway / Aster Life	Ridgeway / Aster Life		Caretime Services Ltd	1 waking night
Runnymede Court	38	Hanover	Hanover		Caretime Services Ltd	1 sleeping night
Devonport Views	42	Devon and Cornwall Housing		Independent Futures (Social inclusion focus)	Caretime Services Ltd	1 waking night
Pocklington Rise	76	Pocklington Rise	Thomas Pocklington Trust		Thomas Pocklington Trust (for 26 people)	2 waking night
The Orchard	8	Spectrum	Caretime Services Ltd (full funding from ASC)			1 sleeping night

Current Spend

Extra Care Scheme	Total Current spend at each scheme
Astor Court	£282,830
St Barnabas Court	£274,354
St Paul's Court	£227,145
Runnymede Court	£227,786
Devonport Views	£362,374
Pocklington Rise	£418,724
The Orchard	£206,665
TOTAL	£1,999,878

Feedback from Service Users

- The majority of service users have indicated that they want minimal change to their services. In particular they have strongly expressed the view that having multiple providers coming into their schemes (as through a framework agreement) would disrupt the atmosphere of extra care. If there were many different providers coming in; 'we wouldn't know all the carers' and 'we would feel less safe'. In addition the majority have indicated that PCC should not compel them to take responsibility for the choice of service provider.
- A small number expressed the view that choice would be good, indicating that they might like a change, or might see the value in a more competitive market existing within extra care schemes.
- When asked to consider the relative merits of having separate care and support providers there was indication that service users didn't clearly understand these two different roles.
- They would like services that respond more personally and are better fitted to their particular needs, e.g. if wanting help later in the evening, or flexibility to fit the changing weekly needs.
- The majority value the presence of two different agencies on site as this means that one agency can advocate and follow up on things if the other agency doesn't respond.
- The meals provision continues to be an area for development.
- Some are of the view that an increased staff presence in the evening would be good, so that activities could be assisted then.

3. NEW MODEL

Core Service

This model will achieve a well understood 24 hour CORE service to provide the day and night requirements that are the key feature of Extra Care Housing. The CORE service will:

- Be universally available to those living on each scheme.
- Include essential 24 hour on-site availability of a support service of sufficient capacity to meet un-planned day time support and cover.
- Provide alongside this preventative low level support for residents who are not in receipt of an assessed care package.

The supplier will be registered with CQC as a domiciliary care agency in order to provide personal care.

This CORE SERVICE is to be provided by one service provider across 6 of the Extra Care Housing Schemes (mainly older people).

The majority of people living within extra care housing will be assessed as requiring a package of support as defined within the Adult Social Care Assessment. In line with the Transformation of Adult Social Care (2007) and Think Local Act Personal (DH 2010) people living within extra care will be supported to manage their agreed personal budget leading to increased use of direct payments.

Personalised Service

Residents eligible for services from Adult Social Care will have a personal budget to meet *individual* assessed needs and will be offered the opportunity to have this deployed through a Direct Payment (through the introduction of pre-paid cards) so that they have maximum choice and control over the support they receive.

People will have the choice of either selecting the CORE organisation to deliver this one to one care and support, or may wish to select a different provider for this purpose. Through self-directed support people will be able to direct and control how the money available to meet their support need is spent.

The provider of the CORE service has therefore also been contracted to provide this personalised self-directed support for those people who select to use this same provider. This service will have the added responsibility of promoting choice and assisting residents in finding out about the range of services that are available to them so that they can confidently access another provider and have genuine choice for their personal support.

Social Inclusion Service

In order to further maximise the potential for residents to remain living independently for as long as possible a social inclusion service will be in operation at each scheme.

Social inclusion services will be universally available to extra care residents. The services will develop a wide range of opportunities for people to enjoy and achieve and to remain integrated members of both the extra care housing community and the wider community. The social inclusion service will be expected:

1. To establish strong links with the local community to optimise social inclusion opportunities for people living outside of the scheme who would benefit.
2. To provide assistance in partnership with the Care and Support Provider on an individual basis to enable people to access activities and opportunities
3. To provide support in partnership with the care provider on an individual basis to enable people to access activities and opportunities that are made available at the scheme.
4. To provide initially intensive support to orientate new people to the scheme during their first weeks of settling in.
5. To establish, manage and support a group of volunteers who will contribute to the delivery of this service.
7. To respond flexibly to the particular needs of people living within the Extra Care Scheme - this will vary on each scheme.
8. To work proactively with the Housing Provider and Care and Support Provider to support the development or continuation of meal provision at the schemes in line with resident's preferences.

The Orchard (Extra Care Housing for people with a learning disability)

A different model was developed for The Orchard, a small Extra Care Scheme for 8 people with learning disabilities. This model will require a combined care/support and social inclusion service.

4. PROCUREMENT PROCESS

The invitation to tender document was published electronically via the Devon Procurement Portal (www.devontenders.gov.uk) on 17th May 2012 in accordance with the following timeline:

Activity	Date
Contract Advert Published & PQQ Available	17th May 2012
PQQs Returned (Pre-Qualification Questionnaire)	21 st June 2012
Shortlisting from PQQs	25 th July 2012
Issuing of ITTs (Invitation To Tender)	3 rd August 2012
Deadline for Queries	7 th September 2012
Return of ITT	17 th September 2012
Completed Evaluation of Tenders	19 th October 2012
Cabinet Approval	11 th December 2012
Contract Award	2 nd January 2013
Commencement of New Service	1 st May 2013

This has been a multi-lot tender:

Contract 11133-1 Combined Care and Support Service for 6 Schemes (mainly older people)

Contract 11133 -2 Combined Care and Support and Social Inclusion Service for 1 small scheme (people with a learning disability)

Contracts 11133-3, 4, 5, 6, 7, 8 Social Inclusion services at each of the 6 Schemes (mainly older people)

Interested providers could tender for one or any combination of the above lots. It was a requirement that the services to deliver Combined Care and Support would be registered with and meet the standards of the Care Quality Commission.

The procurement was a two stage process:

Pre- Qualification Stage

Invitation to Tender Stage

Evaluation criteria for both stages of the procurement were agreed in advance and published in the tender documentation.

<p>Pre-Qualification Stage</p> <p>A single Pre-Qualification Questionnaire was issued for the procurement of all of these contracts.</p>	
<p>The minimum threshold score for this PQQ was 63 %</p> <p>For PQQ's that exceed the minimum threshold score detailed above the top five scoring providers were invited to tender for each of the contracts.</p>	<p>The Pre-Qualification Questionnaire determines whether the organisation is suitable to contract with and considers financial standing, insurances, references, and policies such as health and safety, equality and diversity, safeguarding and business capability.</p> <p>There was a mix of pass/fail questions, risk analysis and scoring questions.</p>

The Pre-Qualification Questionnaire contained mandatory questions evaluated on a pass or fail criteria and scored questions that carried different weightings.

Pass / Fail Questions

- **Professional and Business Standing**
- **Financial** - the Supplier must be in a sound financial position to participate in a procurement of this size. This may entail independent financial checks.
- **Registration with CQC** - the organisation and any partners/sub-contractors must be registered with CQC for the provision of the combined Care and Support Services or be in the process of becoming registered. Evidence of completed registration must be issued to PCC by tender submission date.
- **Insurance**
- **Health & Safety Policy**
- **Data Protection**
- **Safeguarding Vulnerable People**
- **Equality and Diversity Policy**
- **Timescales**

In the event of the supplier being awarded a 'fail' on any of the above criteria, the remainder of their PQQ would not be evaluated.

Scored Questions

The following sections contained mandatory questions and the responses were evaluated and scored. For some questions the response given was evaluated in terms of risk. If the risk was deemed to be high, this resulted in a fail for the question evaluated and the remainder of the PQQ would not be evaluated.

Section	Weighting (%)
Prime contractor/Sub-contracting	8%
Quality Management	12%
Health & Safety Management	14%
Safeguarding Vulnerable People	14%
Equality & Diversity	12%
Disputes	5%
Business Capability	32%
Recent contracts/References	3%

The Pre-Qualification Questionnaire (PQQ) Responses

These were evaluated by a team of individuals / stakeholders with various skill sets from across the business, in order to ensure both transparency and robustness.

As a result of the PQQ evaluations those organisations scoring in the top 5 were invited to tender for the following contracts:

Contract I1133-1 Combined Care and Support Service for 6 Schemes (mainly older people)

Contract I1133 -2 Combined Care and Support and Social Inclusion Service for 1 small scheme (people with a learning disability)

Contracts I1133 -3,4,5,6,7,8 Social Inclusion services at each of the 6 Schemes (mainly older people)

Invitation to Tender (ITT) Stage - for those shortlisted from the PQQ process			
For all contracts the following weighting within the Invitation to Tender was used.			
Commercial	Weighting 10%	Price (affordability criteria were applied)	10%
Technical	Weighting 90%	Purpose	20%
		Service Details	30%
		Performance	30%
		Management and Operation	10%

The Invitation to Tender (ITT) Responses

The completed tenders were evaluated by a team of individuals / stakeholders with various skill sets from across the business, in order to ensure both transparency and robustness.

The ITTs were evaluated to identify the extent to which each tenderer had the ability, experience, and capacity to deliver the service. The technical responses were evaluated to identify how well each tenderer would meet the service specification requirements. The commercial responses were evaluated on price offered.

PLYMOUTH CITY COUNCIL

Subject: Contract Award – HealthWatch
Committee: Cabinet
Date: 11 December 2012
Cabinet Member: Councillor McDonald
CMT Member: Carole Burgoyne (Director for People)
Author: Claire Hodgkins, Supporting People Project Manager
Contact: Tel: 01752 307354 email: claire.hodgkins@plymouth.gov.uk
Ref:
Key Decision: Yes
Part: 1

Purpose of the report:

This report summarises the recent tender process for the commissioning of HealthWatch Plymouth and recommends award of the contract to a single provider.

The Health and Social Care Act 2012 introduces significant change to the planning, commissioning and delivery of health and well-being services. A cornerstone of the reforms is the introduction of HealthWatch both at a national (HealthWatch England) and local level.

The reforms propose to replace LINKs (Local Involvement Networks) with local HealthWatch organisations, with the aim to give citizens and communities a stronger voice to influence and challenge how health and social care services are provided within their locality. This includes the provision of a statutory seat for HealthWatch on local Health and Wellbeing Boards.

Guidance from the Department of Health states that a Local HealthWatch would need to be in place by April 2013.

Whilst a Local HealthWatch is being commissioned Local Authorities are expected to continue to fund and support LINKs and to facilitate a smooth transition between the two entities.

Local Authorities have a duty to commission a Local HealthWatch and, under the localism agenda, to determine the shape and scope of provision.

The financial values involved in this tender required a full competitive procurement to take place in order to select the future provider. As such the HealthWatch service was competitively procured and contained the following elements:

Influencing – Local HealthWatch will present the views and experiences of local service users to local decision makers, as well as to HealthWatch England at the national level, so helping to shape the planning of health and adult social care services.

Signposting – Direct service users to sources of information to enable them to access health and adult social care services, thus promoting choice.

Watchdog – Local HealthWatch will champion quality and hold commissioners and providers to account and make recommendations to HealthWatch England, Local Authority Health and Adult Social Care Scrutiny and the Care Quality Commission (CQC) as necessary.

The service will cover the whole population for health services and adults for social care as per literature published by the Department of Health (DoH) and recommendations from the Department's HealthWatch team.

Government guidance requires that the provider of the service be a corporate body (i.e. a legal entity), which is a social enterprise.

Contract award information is submitted to Cabinet as a separate confidential report.

Corporate Plan 2012 – 2015:

The service will support the following priorities with the Corporate Plan 2012 – 2015:

- **Raise aspirations:** raise the skills and expectations of Plymouth residents.
- **Reduce inequalities:** reduce the large economic and health gaps between different areas of the city by tackling the causes.
- **Provide value for communities:** become more efficient and join up with partners and local residents to deliver services in new and better ways.

In addition, the commissioning of HealthWatch Plymouth is fully in line with the development of Plymouth City Council as a Co-operative Council as it supports the aims of;

- Devolving power and encouraging greater community engagement
- Community ownership of assets and services
- Greater control for individuals of the services they receive
- Supporting social enterprises
- Strengthening the community/voluntary sector

This service will also deliver against many of the themed commitments in the Corporate Plan, but specifically responds to the 'Open Plymouth' commitment by:

- Encouraging more people to become involved in decision making processes
- Representing the views and experiences of local service users to local decision makers Health and Wellbeing Board and other strategic forums
- Seeking public feedback to shape services and improve quality

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

The total contract value of the new service (over 6 years) will be in the region of £1.08 million.

This comprises a continuation of baseline funding paid by the DoH for the LINK service and additional resourcing in recognition of the wider role that HealthWatch will assume over and above the work of the Link.

The funding for the contract was based on figures made available by the DoH prior to the commencement of the procurement process and totals £180,000 per annum.

The majority of the funding will come via the Business Rates Retention Scheme subject to Corporate Finance confirmation.

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

An Equality Impact Assessment has been completed. No adverse impact was identified as a result of this however contract monitoring arrangements will continue to assess any impacts post contract award.

http://www.plymouth.gov.uk/eia_healthwatch.pdf

Recommendations & Reasons for recommended action:

To award a three year contract, containing an option to extend the contract for a further three years, to the 'most economically advantageous tenderer' as identified in the Part II Contract Award Report.

Alternative options considered and reasons for recommended action:

A number of local authorities have explored the option of funding existing LINKs via 'Grant in Aid'. This is not the preferred option as it is not in line with Plymouth City Council's contract standing orders. On consideration of this option there seem to be no compelling reasons to follow this route as there are other potential providers in the market, the existing service has not been market tested for a number of years, and as such the Authority could not be assured best value was being achieved. Also the new service is fundamentally different from the existing provision.

Background papers:

None

Sign off:

Fin	DH/PeopleF Ac1213006- 20/11/2012	Leg	AT/16092	HR		Corp Prop		IT		Strat Proc	JK/S PU/ CA/ 302/ 1112
Originating SMT Member: Pam Marsden											
Have you consulted the Cabinet Member(s) named on the report? Yes											

I. BACKGROUND

The Health and Social Care Act 2012 introduces significant change to the planning, commissioning and delivery of health and well-being services. Central to the reforms is the premise that the public must be at the heart of everything our health and care services do. The key to achieving this principle is the introduction of HealthWatch both at a national and local level.

Local Healthwatch will build on the work of LINKs (Local Involvement Networks), with the aim to give the public a stronger voice to influence, inform and challenge how health and social care services are provided within their locality.

HealthWatch Plymouth will be the independent consumer champion for health and adult social care for people living in the city of Plymouth and those accessing health services based within Plymouth.

Its work will be driven by local intelligence - including evidence from people's views and experiences - to influence the policy, planning, commissioning and delivery of publicly-funded health and adult social care.

It will operate effectively and efficiently so that the local authority can demonstrate that the HealthWatch Plymouth service provides value for money against an agreed set of outcomes.

HealthWatch Plymouth will undertake 3 core operational functions:

Influencing – Shaping the planning of health and adult social care services. HealthWatch Plymouth will present the views and experiences of local service users to local decision makers, as well as to HealthWatch England at the national level.

Signposting – Direct service users to sources of information to enable them to access health and adult social care services, thus promoting choice.

Watchdog – HealthWatch Plymouth will:

- Champion quality,
 - Hold commissioners and providers to account,
- and
- Make recommendations to HealthWatch England, Plymouth Health and Wellbeing Board, Local Authority Health and Adult Social Care Scrutiny and the Care Quality Commission (CQC) as necessary.

Healthwatch Plymouth is for anyone who is legally entitled to access health or adult social care services in Plymouth or anyone who cares for or represents anyone who has access to health or adult social care services in Plymouth.

Government guidance requires that the provider of the service be a corporate body (i.e. a legal entity), which is a social enterprise.

The financial values involved in this tender required a full competitive procurement to take place in order to select the future provider.

2. TENDER EVALUATION METHODOLOGY

The project evaluation criteria and weightings were agreed prior to despatch of the tender documentation and were published in the ITT.

Affordability

Tenders with an Annual Sum for any year of the contract of over £180,000 (including TUPE Costs, including £20,000 grant funds, but excluding VAT) would be considered unaffordable and therefore disqualified.

Sustainability

The Council reserved the right to reject any tender that it deemed to be unsustainable based on the price and breakdown of prices provided.

Contract Award Criteria

Award Criteria	Weighting (%)	Sub Criteria (%)	Weighting (%)
Technical	85	Purpose	2
		Service details	53
		Service Structure and Management	22
		Performance	8
Tenderer Questionnaire	15	The Tenderer Questionnaire determines whether the organisation is suitable to contract with and considers financial standing, insurances, references, and policies such as health and safety, equality and diversity and safeguarding. It included both pass/fail and scored sections.	15

The invitation to tender document was published electronically via the Devon Procurement Portal (www.devontenders.gov.uk) on the 28 August 2012 in accordance with the following timeline:

Activity	Date
Dispatch of ITT	28 th August 2012
Return of ITT	8 th October 2012
Notification of successful Tenderer	2 nd January 2013
Contract award	9 th January 2013
Service Commencement	1 st April 2013

The completed tenders were evaluated by a team of individuals / stakeholders with various skill sets from across the business, in order to ensure both transparency and robustness.

1; Tenderer Questionnaire

The Tenderer Questionnaires were evaluated to identify the extent to which each tenderer had the ability, experience and capacity to deliver the service.

2; Technical Response

The technical responses were evaluated to identify how well each tenderer would meet the service specification requirements.

3; Financial Response:

Tenderers were required to complete a Pricing Schedule spread sheet, providing a breakdown of the Tenderers pricing structure. This document was for information only although, the Council reserved the right to reject any tender that it deemed to be unsustainable based on the price and breakdown of prices provided.

3. FINANCIAL ELEMENT

The Department of Health will make funding available to Local Authorities for the delivery of local HealthWatch.

Local Authorities have a duty to commission a local HealthWatch as there are statutory functions to be delivered. Local Authorities also have a duty to ensure that local Healthwatch operates effectively and provides value for money; as such the DoH has been clear that it is paramount for sufficient funding to be made available that equals the quality of service provided to its local people and community.

Prior to the commencement of the procurement process the DoH informed Plymouth City Council of the available indicative funding for HealthWatch. Plymouth is proposing to invest the full contribution as advised by the DoH at this time into the local HealthWatch service.

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank