



#plymcabinet

Democratic and Member Support

Chief Executive's Department
Plymouth City Council
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Cabinet

Tuesday 11 October 2016
4.00 pm
Council House, Plymouth

Members:

Councillor Bowyer, Chair
Councillor Nicholson, Vice Chair
Councillors Mrs Beer, Mrs Bowyer, Darcy, Downie, Jordan, Michael Leaves, Ricketts and Riley.

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.

This meeting will be broadcast live to the internet and will be capable of subsequent repeated viewing. By entering the Warspite Room and during the course of the meeting, Councillors are consenting to being filmed and to the use of those recordings for webcasting.

The Council is a data controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with authority's published policy.

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Tracey Lee

Chief Executive

Cabinet

1. Apologies

To receive apologies for absence submitted by Cabinet Members.

2. Declarations of Interest (Pages 1 - 2)

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 3 - 4)

To sign and confirm as a correct record the minutes of the meeting held on 13 September 2016.

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, Ballard House, Plymouth, PL1 3BJ, 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. Efficiency Plan (Pages 5 - 24)

Councillor Darcy will present the Efficiency Plan for Cabinet approval for submission to the Department for Communities and Local Government. Also included are the recommendations from the Joint Select Committee Review on the budget and policy proposals under the Medium Term Financial Strategy.

7. Delivering the Plan for Child Poverty 2016 - 2019 (Pages 25 - 36)

Councillor Downie will present the Delivery Plan for Child Poverty 2016 – 2019 which sets out the activities that will enable progress towards addressing the four child poverty priority areas over the next three years. Cabinet are requested to note the delivery plan for the Plan for Child Poverty 2016 – 2019.

8. Sharing Services Group (Pages 37 - 42)

Councillor Darcy will present the Sharing Services Group report. The purpose of this report is to seek Cabinet approval to set up a Company Limited by Guarantee to enable ICT services to be shared with Livewell Southwest (formally Plymouth Community Healthcare) as a not for profit organisation. The report briefly sets out the business need, the legal position and the benefits of creating a Sharing Services Group in the form of a company limited by guarantee.

9. Exempt Business

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000. At the time this agenda is published no representations have been made that this part of the meeting should be in public.

(Members of the public to note that, if agreed, you will be asked to leave the meeting).

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.

10. Shared Services Group (E3) (Pages 43 - 60)

Councillor Darcy will present the Sharing Services Group report. The purpose of this report is to seek Cabinet approval to set up a Company Limited by Guarantee to enable ICT services to be shared with Livewell Southwest (formally Plymouth Community Healthcare) as a not for profit organisation. The report briefly sets out the business need, the legal position and the benefits of creating a Sharing Services Group in the form of a company limited by guarantee.

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DECLARING INTERESTS – QUESTIONS TO ASK YOURSELF

What matters are being discussed?



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Does the business relate to or is it likely to affect a disclosable pecuniary interest (DPI)? This 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 (or obtain a dispensation)





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Does the business affect the well-being or financial position of (or relate to the approval, consent, licence or permission) for:



- a member of your family or
- any person with whom you have a close association; or
- any organisation of which you are a member or are involved in its management (whether or not appointed to that body by the council). This would include membership of a secret society and other similar organisations.


Yes No  You can speak and vote



Will it confer an advantage or disadvantage on your family, close associate or an organisation where you have a private interest more than it affects other people living or working in the ward?

Yes No

  Declare the interest and speak and vote

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

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Cabinet members must declare and give brief details about any conflict of interest* relating to the matter to be decided and leave the room when the matter is being considered. Cabinet members may apply to the Monitoring Officer for a dispensation in respect of any conflict of interest.

*A conflict of interest is a situation in which a councillor’s responsibility to act and take decisions impartially, fairly and on merit without bias may conflict with his/her personal interest in the situation or where s/he may profit personally from the decisions that s/he is about to take.

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Cabinet**Tuesday 13 September 2016****PRESENT:**

Councillor Bowyer, in the Chair.

Councillor Nicholson, Vice Chair.

Councillors Mrs Beer, Mrs Bowyer, Darcy, Downie, Jordan, Michael Leaves, Ricketts and Riley.

Apologies: Anthony Payne (Strategic Director for Place), Lesa Annear (Strategic Director for Transformation and Change) and Kelechi Nnoaham (Director of Public Health).

Also in attendance: Tracey Lee (Chief Executive), Carole Burgoyne (Strategic Director for Place), Paul Barnard (Assistant Director for Strategic Planning and Infrastructure) for Anthony Payne, Ruth Harrell (Consultant in Public Health) for Kelechi Nnoaham, Councillor Coker, Simon Dale (HMI7 Project Director), Adrian Trim (Head of Highways, Parking and Marine Services), Tony Davis (Business Support Project Manager), Alwyn Thomas (Senior Commercial Lawyer), Howard Goffin (Procurement Services Manager), Brent Nepl (Lead Accountant) and Amelia Boulter (Democratic Support Officer).

The meeting started at 4.00 pm and finished at 4.30 pm.

Note: The full discussion can be viewed on the webcast of the City Council meeting at www.plymouth.gov.uk. At a future meeting, the Council 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.

20. Declarations of Interest

There were no declarations of interest made by members.

21. Chair's Urgent Business

There were no items of Chair's urgent business.

22. Highway Term Maintenance Contract 2017-2024 - Award of Contract

The Leader introduced the Highway Maintenance Contract 2017 to 2024 – Award of Contract. It was reported that this piece of work was a good example of cross party working with considerable input from all parties into this process. The Leader welcomed Councillor Coker, Shadow Cabinet Member for Strategic Planning and Transport to the meeting. Councillor Coker paid thanks to the officers and to members for the cross party working over the last 2 years and to recognise the work undertaken with Devon and Somerset. It was important that Plymouth work towards becoming a top tier highway authority whilst managing to keeping the local supply change.

Councillor Ricketts, Cabinet Member for Transport and Housing Delivery also gave thanks to officers and members for delivering this project on time and that the business case sets out a compelling case for change to deliver the benefits as outlined within the report.

Agreed that –

1. The Council's Highways Term Maintenance Contract is awarded to South West Highways Ltd., as a Single Lot bid for Plymouth City Council from the 1 April 2017 to 31 March 2024 with extension options to 2027 in accordance with the recommendations set out in the Part II report and underpinned by the attached Business Case to that Part II report to South West Highways Limited.
2. The Head of Legal Services be authorised to execute all necessary legal agreements required to be entered into by the Council in respect of the Highways Term Maintenance Contract.
3. The collaborative work to continue with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the management of the proposed new Term Maintenance Contract.

PLYMOUTH CITY COUNCIL

Subject: Efficiency Plan
Committee: Cabinet
Date: 11 October 2016
Cabinet Member: Councillor Darcy
CMT Member: Lesa Annear (Strategic Director for Transformation and Change)
Author: Paul Cook (Head of Financial Planning and Reporting)
Contact details: Tel 01752 398633
paul.cook@plymouth.gov.uk

Ref:

Key Decision: Yes
Part: 1

Purpose of the report:

To approve the Council's Efficiency Plan. The Plan will then be submitted to the Department for Communities and Local Government (DCLG). This will secure a four-year Revenue Support Grant (RSG) settlement 2016-17 to 2019-20.

The Council Corporate Plan 2016/19:

The achievement of a four year RSG settlement will assist the Council in delivering the Corporate Plan.

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

The resource implications are set out in the body of the Efficiency Plan.

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

The Efficiency Plan addresses the financial risks facing the Council. It also provides the maximum resources achievable to address key policy areas.

Equality and Diversity:

Has an Equality Impact Assessment been undertaken? Not applicable

Recommendations and Reasons for recommended action:

That Cabinet approves the Efficiency Plan for submission to DCLG.

Alternative options considered and rejected:

Not to take advantage of the four year settlement offer by submitting an Efficiency Plan.

This would be against the Council's financial interests in that the RSG allocations announced in the 2016-17 settlement for 2017-18 to 2019-20 might not be realised and the Council would face further RSG reductions.

Published work / information:

The provisional Local Government Finance Settlement 2016-17 and an offer to councils for future years – DCLG Dec 2015.

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

Fin	akh16 17.29y	Leg	DVS26530	M o n O f f		HR		Assets		IT		Strat Proc	
Originating SMT Member													
Has the Cabinet Member(s) agreed the content of the report? Yes													

1.0 Introduction

1.1 In December 2015 the Provisional 2016-17 Local Government Finance Settlement made the offer of four-year settlements. These were intended to increase financial certainty and allow proactive service delivery whilst supporting strategic collaboration with partners. Multi-year settlements were intended to improve financial management and efficiency.

1.2 In February 2016 the Secretary of State confirmed the four-year offer as part of the Final 2016-17 Local Government Finance Settlement. Councils were given until 14 October 2016 to take up the offer.

1.3 In March 2016 the Secretary of State wrote to Councils about multi-year settlements and efficiency plans. He stated:

- To accept the offer an email or letter should be sent by 5 p.m. on Friday, 14th October 2016 including a link to the Council's published efficiency plan
- No further guidance on the content of efficiency plans would be provided. Plans should be locally owned and locally driven.
- Plans should show how the greater certainty of a multi-year settlement can bring about opportunities for further savings.
- Plans should cover the full four year period. Plans should be open and transparent about the benefits this will bring to both the Council and the community.
- There should be collaboration with local neighbours and public sector partners. There should be links into devolution deals where appropriate.

1.4 The Annex to the Secretary of State's letter is also attached for information.

1.5 DCLG supported a CIPFA/LGA seminar in June 2016 on Efficiency Plans. A series of top tips is attached for information.

2.0 Plymouth City Council Efficiency Plan

2.1 The attached Efficiency Plan is based on the MTFs submitted to Scrutiny Committee on 22 September 2016.

2.2 The Efficiency Plan follows the Secretary of State's principle that the plan should be simple and straightforward and not create additional bureaucracy.

2.3 The submission to the Secretary of State will link to the published agenda for this Cabinet meeting

2.4 A link will be provided in the Efficiency Plan to the MTFs considered by Scrutiny 22 September 2016. The link will be updated as the MTFs is revised at later stages of the budget process.

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Plymouth City Council Efficiency Plan

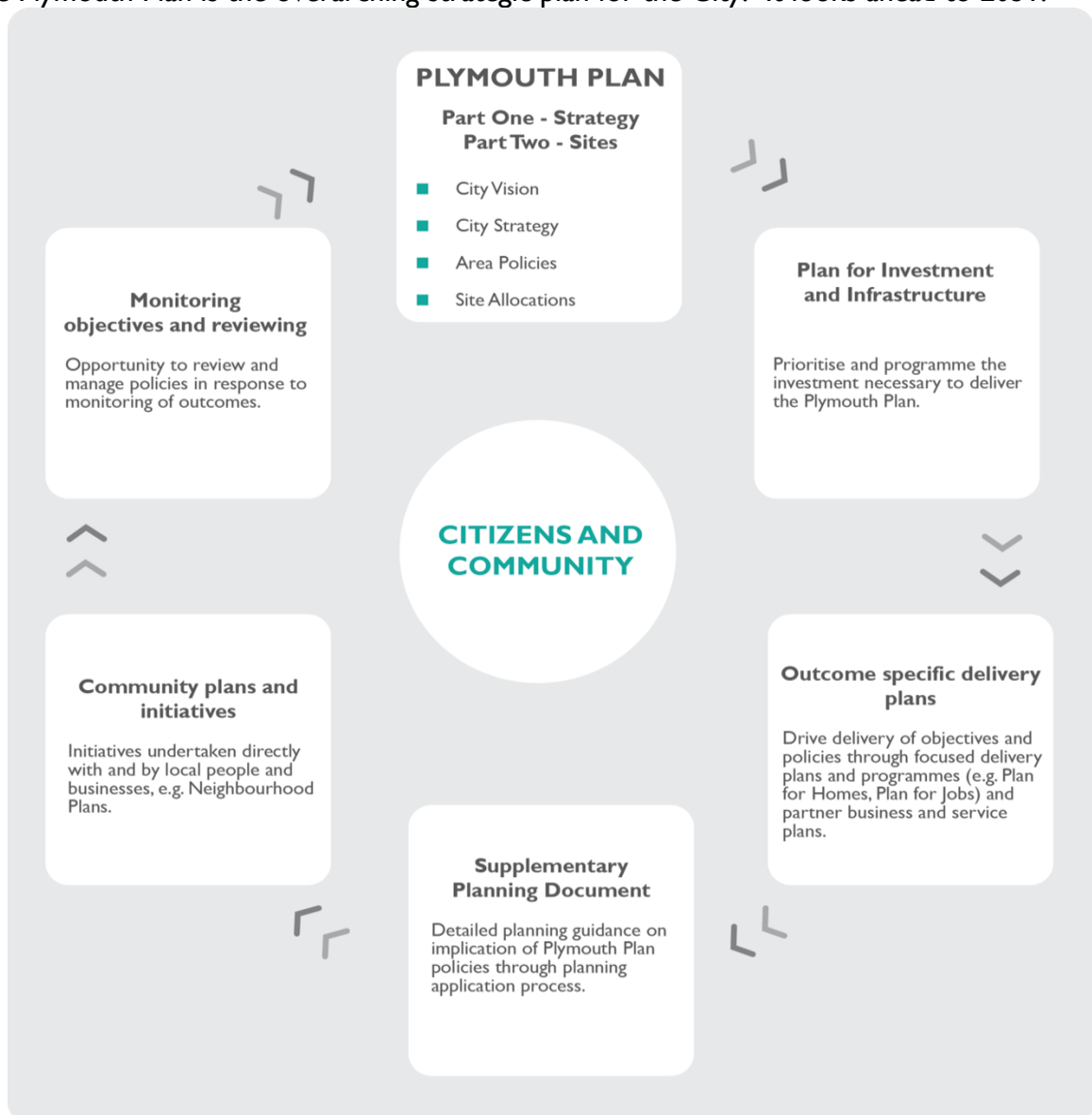
Introduction

The Council's is submitting its Efficiency Plan to DCLG take up the offer of a four-year funding settlement. The Efficiency Plan draws on the Council's Medium Term Financial Strategy that was considered by Scrutiny Committee on 22 September 2016. The full MTFS is available at

<http://democracy.plymouth.gov.uk/documents/s74165/MTFS%202016-20%20V13%2022.09.16%20Joint%20Scrutiny.pdf>

Plymouth Plan

The Plymouth Plan is the overarching strategic plan for the City. It looks ahead to 2031.



Corporate Plan

Our plan on a page drives everything the Council seeks to achieve.

OUR PLAN

ONE CITY COUNCIL



CITY VISION
Britain's Ocean City

One of Europe's most vibrant waterfront cities where an outstanding quality of life is enjoyed by everyone.

OUR VALUES

**WE ARE
DEMOCRATIC**

Plymouth is a place where people can have a say about what is important to them and where they can change what happens in their area.

**WE ARE
RESPONSIBLE**

We take responsibility for our actions, care about their impact on others and expect others will do the same.

**WE ARE
FAIR**

We will be honest and open in how we act, treat everyone with respect, champion fairness and create opportunities.

**WE ARE
PARTNERS**

We will provide strong community leadership and work together to deliver our common ambition.

OUR VISION One team serving our city

PIONEERING PLYMOUTH	GROWING PLYMOUTH	CARING PLYMOUTH	CONFIDENT PLYMOUTH
We will be innovative by design, and deliver services that are more accountable, flexible and efficient.	We will make our city a great place to live by creating opportunities for better learning and greater investment, with more jobs and homes.	We will work with our residents to have happy, healthy and connected communities where people lead safe and fulfilled lives.	We will work towards creating a more confident city, being proud of what we can offer and growing our reputation nationally and internationally.

OUR THEMES

<ul style="list-style-type: none"> ■ Quality services focused on customers' needs ■ Balancing the books ■ New ways of working ■ Best use of Council assets ■ Working constructively with everyone 	<ul style="list-style-type: none"> ■ Quality jobs and valuable skills ■ Broad range of homes ■ Increased levels of investment ■ Meeting future infrastructure needs ■ Green and pleasant city 	<ul style="list-style-type: none"> ■ Focus on prevention and early intervention ■ Keeping children and adults protected ■ Inclusive communities ■ Respecting people's wishes ■ Reduce health inequalities 	<ul style="list-style-type: none"> ■ Council decisions driven by citizen need ■ Plymouth as a destination ■ Improved street scene environment ■ Motivated, skilled and engaged workforce ■ Setting the direction for the South West
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Medium Term Financial Strategy

Our financial principles emphasise balanced budgets. Fees and charges will – subject to policy - be updated to reflect inflation. We allocate specific grants to service budgets, but services must therefore bear the cost of any grant reduction. We expect service departments to fund their own capital investment and ICT costs, except where projects are cross cutting.

Our financial objectives include the generation of the maximum possible funding. Capital schemes are prioritised that deliver tangible outcomes, provided they are affordable. We support the local economy by working in partnership with local business. Income opportunities will be maximised through structured growth of the City. Our Transformation Programme maximises savings and constantly seeks new opportunities.

Medium term financial forecast

Our planning assumptions are set out in the table below. The 2016/17 gap has already been addressed. The savings requirements for 2017/18 and onwards are being taken forward through the Council's Transformation Programme.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
	BUDGET	FORECAST		
REVENUE RESOURCES AVAILABLE	186.702	180.776	178.804	176.920
Baseline spend requirement	193.009	186.702	180.776	178.804
One off savings b/fwd.	-	4.876	-	-
Plus identified additional costs	17.564	8.936	7.357	6.403
Overall spend requirement	210.573	200.514	188.133	185.207
In-year shortfall to be found:	23.871	19.738	9.329	8.287
Cumulative shortfall		43.609	52.938	61.225

The Council implemented a 2% Adult Social Care precept in 2016/17 and it is assumed that additional 2% precepts will be levied in succeeding years. Growth in council tax and business rates is assumed, reflecting the Council's ambitious growth agenda. The Council awaits urgently the New Homes Bonus arrangements for 2017/18 onwards

Transformation

Local government is changing rapidly as traditional sources of funding are reducing and the demand for our services is increasing. We must continue to transform the way we do things at pace. We know we cannot do things in the same way we have done in the past and our transformation programme is taking a pioneering and ambitious approach to addressing these challenges while improving services and outcomes for Plymouth citizens.

It means providing services in new ways, joining up with partners wherever possible, investing in ways of doing things more efficiently, making the most of our assets and raising income by taking a more commercial approach.

The transformation programme has invested £14.7 m over the three years since 2014/15. The programme has produced £54.3 m savings. The challenge lies ahead to deliver a further £37m of savings by 2019-20.

There are four programmes that involve a wide range of projects touching every area of our work – growth and municipal enterprise; customer service transformation; integrated health and wellbeing; people and organisational development.

Capital

Over recent years the Council has reviewed its management of the capital programme. The level of capital resource available has also been diminishing and will continue to do so for some time. There is an increased need to bid for specific pots of funding including major road infrastructure projects and large cultural projects such as our exciting new History Centre. The council's ability to maximise investment into the city through vehicles such as the Growth Fund and the Heart of the South West Local Enterprise Partnership has become an increasing priority.

We continually challenge and update all capital income streams in order to estimate the total resources at our disposal. Maximising developer contributions, under Section 106 (S106) of the Town and Country Planning Act 1990, and forecasting for the future generation of capital receipts through planned and structured asset disposals, remain vital income streams. Our programme 2015/16 to 2019/20 is an ambitious £419m of investment.

Treasury management

The council's approach to Treasury Management has been significantly revised due to the global economic environment. Despite being risk adverse, we continue to explore opportunities for generating significant revenue returns through close management of the business's turnover, (more than £500m), and associated cash flow. Throughout the last two years we have reduced the net cost of our treasury management activities, by more than £1.5m. This has mainly been achieved through restructuring long term debt and will deliver revenue savings for at least the next seven financial years.

Risk and governance

The Council's Audit Committee plays a key role in our corporate governance, and a full risk register is maintained as part of our Medium Term Financial Strategy.

Devolution

The Council is involved in devolution negotiations for a Heart of the South West Combined Authority. When implemented the Combined Authority will be a focus for taking forward our efficiency programmes.

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Department for
Communities and
Local Government

The Rt Hon Greg Clark MP
*Secretary of State for Communities and Local
Government*

**Department for Communities and Local
Government**
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London SW1P 4DF

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E-Mail: greg.clark@communities.gsi.gov.uk

www.gov.uk/dclg

10 March 2016

Dear Colleagues

MULTI-YEAR SETTLEMENTS AND EFFICIENCY PLANS

On 17 December I announced a historic opportunity for councils to achieve greater certainty and confidence from a 4-year budget. I see this as a key step to supporting you to strengthen your financial management, at the same time as working collaboratively with your local partners and reforming the way services are provided.

The settlement consultation process showed great support for this approach and identified a number of queries about what the offer includes and the requirements for applying to accept this offer. I have therefore set out some further details in the attached annex. But I want to reiterate that I want this offer, and the production of an efficiency plan, to be as simple and straightforward as possible, and reassure you that this is not about creating additional bureaucracy.

If you wish to apply to accept the offer you simply need to send an email or letter to MultiYearSettlements@communities.gsi.gov.uk by **5pm on Friday 14th October** and include a link to your published efficiency plan.

I do not intend to provide further guidance on what efficiency plans should contain – they should be locally owned and locally driven. But it is important that they show how this greater certainty can bring about opportunities for further savings. They should cover the full 4-year period and be open and transparent about the benefits this will bring to both your council and your community. You should collaborate with your local neighbours and public sector partners and link into devolution deals where appropriate.

Of course this offer is entirely optional. It is open to any council to continue to work on a year-by-year basis, but I cannot guarantee future levels of funding to those who prefer not to have a four year settlement.

I have been delighted by the response of councils all over the country to the offer of four year budgets and I look forward to hearing from you if you would like to avail yourself of it.

For any further queries, please contact officials at the above address.

Yours sincerely

A handwritten signature in black ink, appearing to be 'G Clark', written in a cursive style.

THE RT HON GREG CLARK MP

Annex

Conditions of the multi-year settlement

The Government will offer any council that wishes to take it up a four-year funding settlement to 2019-20. This includes:

- Common Council of the City of London
- London borough councils
- district councils
- county councils
- Council of the Isles of Scilly
- Greater London Authority
- metropolitan county fire and rescue authorities
- combined fire and rescue authorities.

The Government is making a clear commitment to provide minimum allocations for each year of the Spending Review period, should councils choose to accept the offer and if they have published an efficiency plan.

What the offer includes

On 9 February we provided summaries and breakdown figures for each year to your s151 Officer. From those figures the relevant lines that are included in the multi-year settlement offer, where appropriate, are:

- Revenue Support Grant;
- Transitional Grant; and
- Rural Services Delivery Grant allocations.

In addition, tariffs and top-ups in 2017-18, 2018-19 and 2019-20 will not be altered for reasons related to the relative needs of local authorities, and in the final year may be subject to the implementation of 100% business rates retention.

The Government is committed to local government retaining 100% of its business rate revenues by the end of this Parliament. This will give them control over an additional £13 billion of tax that they collect.

To ensure that the reforms are fiscally neutral local government will need to take on extra responsibilities and functions. DCLG and the Local Government Association will soon be publishing a series of discussion papers which will inform this and other areas of the reform debate.

The new burdens doctrine operates outside the settlement, so accepting this offer will not impact on any new burden payments agreed over the course of the four years.

The Government will also need to take account of future events such as the transfer of functions to local government, transfers of responsibility for functions between local authorities, mergers between authorities and any other unforeseen events. However, barring exceptional circumstances and subject to the normal statutory consultation process for the local government finance settlement, the Government expects these to be the amounts presented to Parliament each year.

Process for applying for the offer

Interest in accepting this offer will only be considered if a link to a published efficiency plan is received by 5pm Friday 14th October. We will provide confirmation of the offer shortly after the deadline.

Efficiency Plans

Efficiency plans do not need to be a separate document. They can be combined with Medium Term Financial Strategies or the strategy set out in the guidance (<https://www.gov.uk/government/publications/guidance-on-flexible-use-of-capital-receipts>) on how you intend to make the most of the capital receipt flexibilities if appropriate.

The Home Office will provide guidance on the criteria and sign off process for efficiency plans for single purpose Fire and Rescue authorities. All Fire and Rescue authorities, including those which are county councils, should set out clearly in their efficiency plans how they will collaborate with the police and other partners to improve their efficiency.

Process for those who do not take up the offer

Those councils that chose not to accept the offer, or do not qualify, will be subject to the existing yearly process for determining the local government finance settlement.

Allocations could be subject to additional reductions dependant on the fiscal climate and the need to make further savings to reduce the deficit.

At present we do not expect any further multi-year settlements to be offered over the course of this parliament

TOP TIPS FROM THE LOCAL GOVERNMENT SECTOR

PREPARING AND SUBMITTING AN EFFICIENCY PLAN

This is the first in what we hope will be a series of 'Top Tips' notes published by CIPFA and the LGA to share good practice in financial management, prepared by the local government sector, for the sector.

These top tips were put together as a result of a workshop held at CIPFA Offices, Mansell Street, London on 8th June, 2016 attended by 30 local government delegates.

This is not guidance, but a synopsis of opinion from those present which we hope will be useful to councils in deciding what to submit.

We were supported on the day by DCLG which should ensure that these 'top tips' are not at odds with what Ministers are currently thinking, but DCLG has not approved these top tips and Ministers will not be bound by them, although we hope they will take them into account.

Similarly we know that not all authorities favour or support the Government's multi-year settlement offer. Some think it is too little, too late. These top tips are not a call from CIPFA and the LGA to take up the government offer - that is entirely a matter for local determination.

Background:

Local authorities have taken the biggest hit in terms of central government cuts since 2010. The scale of reduction, along with a degree of volatility around the phasing/ timing of these cuts to different authority types, can make it very difficult for authorities to plan their spending priorities strategically. For some there may even be a risk of balancing their budget¹ at all over the upcoming spending review period. The need for effective medium term planning has never been stronger.

Efficiency Plans (4 year settlement guarantee):

The government's response to these concerns from the sector has been an offer a guaranteed minimum grant envelope, paid to councils for a 4-year period from April 2016 covering Revenue Support Grant, transitional funding and Rural Services Delivery Grant. This, the Secretary of State said, should increase local authority certainty and confidence and would be a key step towards supporting councils to strengthen financial management and work collaboratively with local partners when considering the way local services are provided in future.

Councils should read these 'Top Tips' alongside the Secretary of State's letter to Council leaders dated 10th March 2016.

To take advantage of this offer each authority needs to submit an efficiency plan². The Secretary of State has not issued guidance on what an efficiency plan should contain, a

¹ Read CIPFA Insight 'balancing local authority budgets' <http://www.cipfa.org/cipfa-thinks/insight>

development that local government broadly welcomes. In discussion with DCLG officials, however, we agreed that we would glean some best practice 'top tips' from local government so that the sector, in effect, is advising itself.

This note does not cover Fire and Rescue Authorities for which the Home Office³ has issued their own more detailed guidance and expectations.

Top Tips

What is an efficiency plan?

Every council in the country is different. Each will have its own vision, policies, opportunities and challenges and each will be at a different stage in its journey to financial sustainability.

So no two efficiency plans are likely to focus on the same things; have common aims or include the same reports. Each council should therefore be judged on its own merits when reviewing their plans. How clear are their targets? What role partnership working is expected to take? Aspirations around any transformation programmes? How are councils planning to achieve their efficiencies? Is there clear ownership and accountability? And is there robustness around the management, monitoring and measurement of outcomes?

The way a council chooses to put this story together in their efficiency plan remains for them to decide, as is the supporting documents that they would choose to include.

Content

- The cornerstone of the efficiency plan is probably the Medium Term Financial Plan (MTFP) or Strategy (MTFS) for the four years of the offer. Not just the numbers in a table but a short narrative that sets out what a council intends to do to address the challenge of financial sustainability and where it hopes to be at the end of the period. An efficiency plan needs to be about more than just money.
- Most practitioners favour a short 2 – 4 page narrative, with typical documents to support this narrative to include its latest budget, corporate plan, transformation plan, asset-management plan and baseline organisational structure.
- It follows that an efficiency plan needs to have clear links to the Council's corporate plan and where the authority is involved in key partnerships, such as shared management arrangements or progress towards a combined authority. It should acknowledge any links with partner organisations and plans that this entails.
- It also needs to reference ongoing and planned transformation projects and programmes where these are significant in ensuring the council reduces its costs or generates additional income locally.
- However, an efficiency plan need not be any more than an 'abridged version' of key/ existing public documents already put together by a council. Most councils should not find themselves doing a major piece of extra work to deliver an efficiency plan.

² The deadline for an efficiency plan submission to DCLG is 14th October, 2016

³ Letter from Mike Penning MP (Minister for Police, Fire, CJ & Victims) to all Fire Authority Chairs (24th May)

- Councils could consider presenting the efficiency plan by theme, for example, what it is doing to grow its local economy, to bear down on costs, to manage current and future demand or to re-forge its 'contract' with local residents.

Who Owns the Plan?

- The efficiency plan provides an opportunity for a council to consider and evaluate the key components of a good service and financial strategy and serve as a prompt to start doing things which in themselves will aid the planning and performance of the council. But councils should focus on what works for them and their communities not simply on what might be acceptable to Ministers.
- The Efficiency Plan needs political buy-in, which in most cases will have been achieved by the fact that it is composed to reflect existing policies and largely from existing documentation. It will be a matter for councils to decide what process needs to be gone through to achieve approval.
- It is likely to be helpful if the efficiency plan is submitted jointly by the Chief Executive and council leader setting out the organisation's plans over the next four years; its commitment towards delivering these plans and a clear narrative on what reports and supporting documents have been included in the plan, and why.
- A sign off from the Chief Finance Officer could be incorporated if it is felt necessary to back up the plan with an implicit statement that it is likely to achieve and sustain a balanced budget position.

Risks to delivery

- It should be acceptable for efficiency plans to point out that circumstances and policies can change, especially where there are local elections during the period of the plan, and for plans to include broad forecasts in later years where decisions have yet to be taken.
- Where an authority has undertaken any financial management modelling and a risk assessment around its delivery, this could also be submitted to evidence monitoring arrangements and mitigation plans.
- Should the council's current MTFS be shorter than the 4-year settlement period, the efficiency plan should be considered as an opportunity to extend it, to link service delivery with the Council's funding expectations. This may prove especially key for those authorities at most risk of an unbalanced budget throughout this period, although a decision and discretion to do this, should remain with the council.
- Some major funding streams are not covered by the multi-year offer while costs remain subject to unpredictable pressures. The Efficiency Plan therefore needs to allow for risk and provide for sufficient reserves and contingencies to allow those risks to be managed.
- The council should therefore consider submitting a statement about its current level of reserves and how they are expected to move over the period of the plan along with the internal policies around which these reserves are currently operating.

- All documents submitted will typically outline ownership and governance arrangements assigned to each, especially where a service is delivered in partnership with another organisation or is co-opted as part of a combined authority.
- Any other internal report or policy statement should be included, where an authority believes it supports and underpins the 2-4 page efficiency narrative signed off by the council.

The Efficiency Plan itself – What it is not:

- It should not simply be a stand-alone MTFS submission to DCLG but requires other documents and further reading to fully understand a councils current plans and aspirations
- It should not be a plan that requires additional reports or documents (not currently available to a council) to be compiled – although it might prove a useful checklist to an authority on what it perhaps should be doing but is not.
- It should not be a defined list of documents that every council in the country is simply asked to submit.

CIPFA / Local Government Association

June 2016

BUDGET AND POLICY PROPOSALS UNDER THE MEDIUM TERM FINANCIAL STRATEGY

Joint Select Committee Review - Recommendations



CONTEXT

On the 22 September 2016 a Joint Select Committee review met to consider budget and policy proposals under the Medium Term Financial Strategy (MTFS).

The committee were presented with a revised MTFS and the outcomes of the “Time for big decisions” consultation process. Following debate members agreed the following recommendations.

RECOMMENDATIONS (Draft)

Recommend to cabinet -

1. Whilst assured that work is ongoing to provide a balanced budget, it remains that the Committee has significant concerns over the lack of proposals to remedy future gaps in the Councils revenue budget and to deliver transformation stretch targets for the coming three years (2017/18, 2018/19, 2019/20).
2. That budget proposals are published for consideration by relevant scrutiny committees so they may be reviewed for their impact on communities and the sustainability of council services.
3. To task officers to develop options to bring student landlords into local taxation and lobby the Government on that basis.

Recommendations for the Scrutiny Work Programme -

4. That a review group is established in November to consider the outcome of the Council Tax Support Scheme consultation and policies for the future of the scheme.
5. That the Modernisation of Waste Service Policy and Proposals are considered at the Place and Corporate Scrutiny Committee on the 5th October.
6. That Place and Corporate Scrutiny Committee keep under review the corporate estate.
7. The review group is provided an opportunity to comment on the efficiency plan before its submission to Government.

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PLYMOUTH CITY COUNCIL

Subject:	Delivering the Plan for Child Poverty 2016-2019
Committee:	Cabinet
Date:	11 October 2016
Cabinet Member:	Councillor Downie, Cabinet Member for Safer and Stronger Communities
CMT Member:	Carole Burgoyne, Strategic Director for People
Author:	Theresa Brooks, Policy and Business Planning Officer
Contact details:	Tel: 01752 307113 Email: theresa.brooks@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

- On 8 March 2016 Cabinet formally agreed the Plan for Child Poverty 2016-2019;
- Cabinet requested to review the delivery plans for the Plan for Child Poverty 2016-2019 when developed
- The delivery plan activities will enable progress towards addressing the four child poverty priority areas over the next three years;
 1. Families on low income- key activities in this theme will support low income families to find routes out of poverty through the maximisation of their income.
 2. Narrowing the gap in attainment – key activities will reduce the attainment gap at Key stage 2 and 4, and increase the number of children who are able to read and write by the time they leave school.
 3. Support for parents – key activities within this theme will support parents at risk of poverty by enabling them to be more engaged with their child’s learning; obtain better qualifications and gain more sustainable employment, and have access to mental health support.
 4. Poor dental health – key activities within this theme will mean that by 2019, the dental health of children under the age of 16 will have improved, with a reduction in the number of children having teeth removed.

The Council Corporate Plan 2016/19:

The key activities to deliver the Plan for Child Poverty will provide a renewed focus for where the city’s attention and resources should be directed to ensure that we achieve in our four priority areas. We will also look to explore further the use of Voluntary and Community Sector in the development and delivery of this plan. This will ensure we have the most impact on our most vulnerable families who are most likely to be experiencing poverty.

There are currently a number of key actions within both the Plymouth Plan and Corporate Plan that directly contribute towards tackling child poverty. These include:

- Caring Plymouth – Many of the key activities identified within the Plan for Child Poverty 2016-2019 directly contribute to the achievement of a Caring Plymouth, particularly those that focus on early intervention and prevention and reducing health inequalities.
- Growing Plymouth- Key activities in the Plan for Child Poverty 2016-2019 will directly contribute to the delivery of Growing Plymouth, specifically around quality jobs and valuable skills.

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

The nature of this plan means it threads through most of the councils resources. Delivery of the plan will be resourced through existing revenue and grant funding within the Medium Term Financial Strategy. Plymouth City Council will also engage with key city partners to source additional funding where appropriate.

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

The key activities to deliver the Plan for Child Poverty 2016-2019 will inherently bring long-term good to the city and complement citywide efforts to tackle child poverty, as outlined in the Plymouth Plan, specifically those in Healthy City.

Equality and Diversity:

The Plan for Child Poverty 2016-2019 sits within the Plymouth Plan, and the impact for equality and diversity has been considered at length in the development of the Plymouth Plan. The delivery plan will have a positive impact on reducing the inequalities that children experience as a result of poverty.

Recommendations and Reasons for recommended action:

Cabinet notes the delivery plan for the Plan for Child Poverty 2016 - 2019

Alternative options considered and rejected:

N/A

Published work / information:

[Plan for Poverty 2016-2019](#)

Background papers:

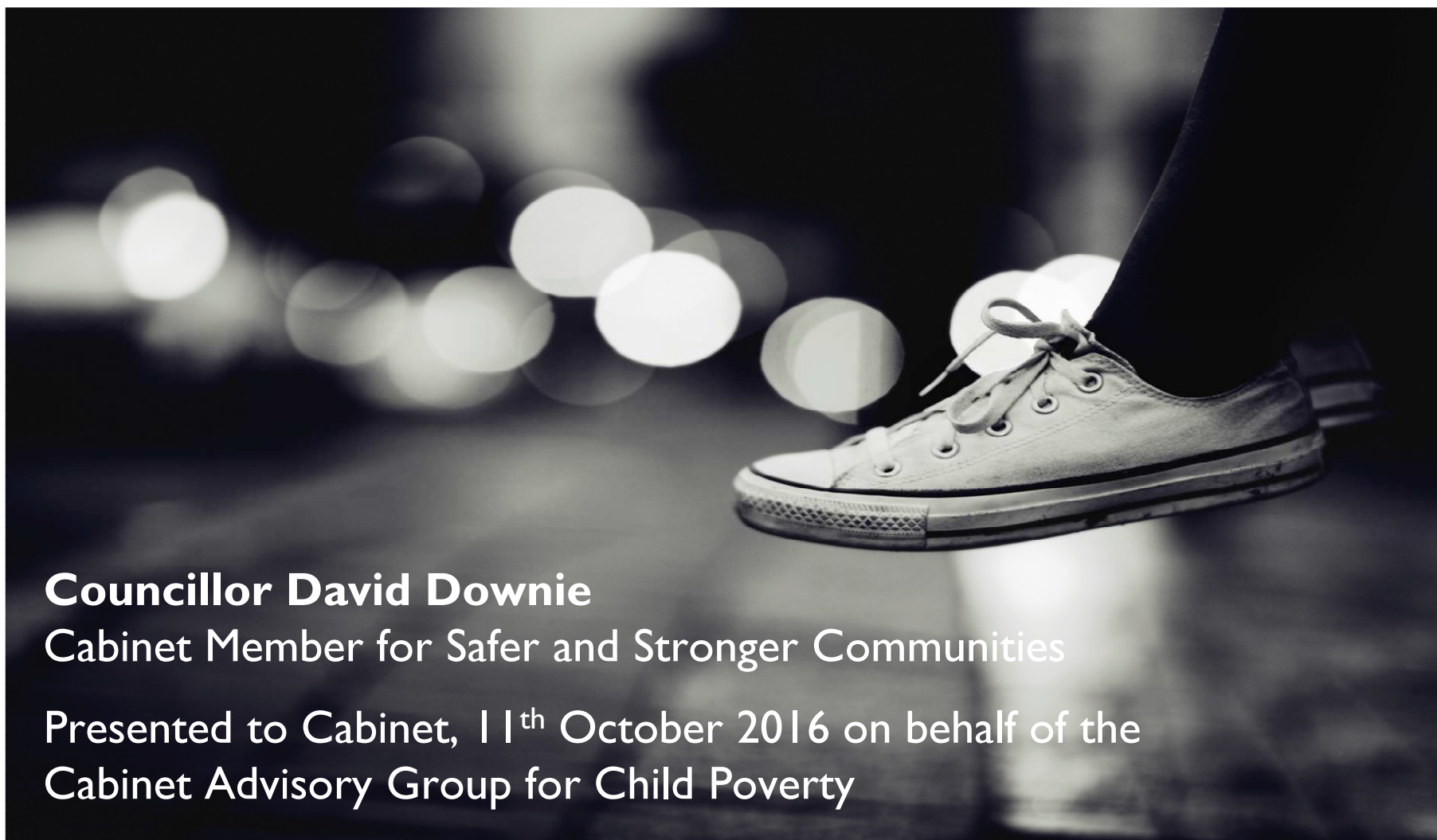
Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

Fin	Djn 161 7.16	Leg	DV S26 I46	Mon Off	DVS 26245	HR		Assets		IT		Strat Proc	
Originating SMT Member: Judith Harwood													
Has the Cabinet Member(s) agreed the content of the report? Yes													

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DELIVERING THE CHILD POVERTY ACTION PLAN 2016-2019



Councillor David Downie

Cabinet Member for Safer and Stronger Communities

Presented to Cabinet, 11th October 2016 on behalf of the
Cabinet Advisory Group for Child Poverty

CHILD POVERTY ACTION PLAN 2016-2019



FAMILIES ON
A LOW INCOME

SUPPORT FOR
PARENTS

POOR DENTAL
HEALTH

NARROWING
THE GAP IN
ATTAINMENT



FAMILIES ON A LOW INCOME



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Growing City

- Developing a pipeline of skilled staff and supporting those who are outside of the labour market back into work (SO 5, Policies 17 and 19)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
- Keeping people protected
- Inclusive communities
- Reducing health inequalities

Growing Plymouth

- Quality jobs and valuable skills

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>Low income families are supported to find routes out of poverty through maximising their income</p>	<ul style="list-style-type: none"> ▪ Reduce the number of in work families claiming tax credits in Plymouth by 5% by 2019 ▪ Reduce the number of children in families in receipt of 'child benefit' and 'tax credits' in Plymouth, by 5% by 2019 ▪ Reduce the number of families claiming 'child tax credits' in Plymouth by 5% by 2019 	<p>Strategic work streams for the economy and growth within the Plymouth Plan will address the needs of families on a low income through the following:</p> <p>1. Growth is inclusive - We will explore options with major employers to maximise social investment and engage with the Inclusive Growth Commission. This will create a more inclusive and resilient local economy that will help reduce disparities in income and unequal economy participation.</p> <p>2. Increased business engagement with social investment – in partnership with the private sector, incentivise social investment and lead by example:</p> <ul style="list-style-type: none"> ▪ Promote the Social Enterprise Fund ▪ Progress Building Plymouth, including Construction Industry Training Board (CITB) Framework ▪ Continue Plymouth City Council's apprenticeship scheme ▪ 1000 club, STEM /Digital Co-ordinators/Education/Business and Finance

FAMILIES ON A LOW INCOME



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Growing City

- Developing a pipeline of skilled staff and supporting those who are outside of the labour market back into work. (SO 5, Policies 17 and 19)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
- Keeping people protected
- Inclusive communities
- Reducing health inequalities

Growing Plymouth

- Quality jobs and valuable skills

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>Low income families are supported to find routes out of poverty through maximising their income</p>	<ul style="list-style-type: none"> ▪ Increase credit union membership by 20% each year for the next three years 	<p>3. Maximise in-work support available - Using an evidence-based approach, target in-work poverty and maximise opportunities to increase income streams:</p> <ul style="list-style-type: none"> ▪ Map existing data (in preparation) and identify in-work poverty hot-spots and sectors ▪ Skills and Further Education Training – how to extend the focus further than 24+ and 50+; and ▪ Review apprenticeship reform and formalise training <p>4. Maximise out-of-work support – Use evidence based approaches to support people far from the labour market to increase their ability to re-engage</p> <ul style="list-style-type: none"> ▪ Better co-ordinate efforts to tackle worklessness ▪ Youth Deal – personalised mentors ▪ Integrate employment and skills advice across the proposed Well-Being Networks <p>5. Plymouth’s Alternative Finance offer</p> <ul style="list-style-type: none"> ▪ Work with the City Credit Union to expand and promote their product offer to ensure future sustainability ▪ Introduce ‘Fair for You’ to our partners as an alternative to high cost rent ▪ Utilise the #fishyfinance campaign and create a separate webpage as part of this to raise awareness of the dangers of illegal money lending in the city

FAMILIES ON A LOW INCOME



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Growing City

- Developing a pipeline of skilled staff and supporting those who are outside of the labour market back into work. (SO 5, Policies 17 and 19)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
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Growing Plymouth

- Quality jobs and valuable skills

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>Low income families are supported to find routes out of poverty through maximising their income</p>		<p>6. Information and advice offer to families in the city</p> <ul style="list-style-type: none"> ▪ Review advice and information services commissioned to support families to maximise income ▪ Provide a clear joined up advice and information offer, including exploring opportunities for co-location with partners and ensuring that child poverty agenda is incorporated into the well-being network model ▪ Promote support services that are available for families on low incomes that also addresses negative stereotyping about poverty and the importance of seeking assistance ▪ Upskilling front line staff in benefits advice, knowledge and signposting to ensure that information is easily accessible to families directly as well as via support organisations identified through mechanisms such as the Plymouth Online Directory ▪ Support (Universal Credit) benefit claimants with budgeting skills sessions <p>7. Prevention work with children and young people</p> <ul style="list-style-type: none"> ▪ Encourage schools to maximise opportunities for young people to gain budgeting skills in preparation for adulthood, and ensure links with other initiatives like cooking healthy low cost food ▪ Credit Unions will work with schools to encourage greater use ▪ Carry out targeted work with young people via the WOW (Wiser Wonga) project, Citizens Advice and Housing Associations including the development a Young Person Leadership programme in order to improve confidence and resilience

SUPPORT FOR PARENTS



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Growing City

- Developing a pipeline of skilled staff and supporting those who are outside of the labour market back into work. (SO 5, Policies 17 and 19)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
- Keeping people protected
- Inclusive communities
- Reducing health inequalities

Growing Plymouth

- Quality jobs and valuable skills

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>Parents at risk of poverty are enabled to:</p> <ul style="list-style-type: none"> ▪ be more engaged with child learning ▪ obtain better qualifications and gain more sustainable employment ▪ have access to mental health support 	<ul style="list-style-type: none"> ▪ Increase Plymouth's average total points score (across all the Early Learning Goals) by 5% by 2019* ▪ Increase the % of low income families where one or more in the household has NVQ4 qualification or above by 5% by 2019 <p><i>*may be subject to change</i></p>	<p>The support for a 'Parents' strategic group will oversee delivery of the 'Parent Engagement Plan'. This will ensure that a restorative strengths based approach to work with parents, children and families is consistently applied across the city. Development of the plan will include:</p> <ol style="list-style-type: none"> 1. Ensuring that partners and parents are fully engaged and contribute to this area of work 2. Resources are allocated to ensure that parents across the city are better engaged with their child's learning 3. Resources are allocated within the plan to allow parents to obtain better qualifications and more sustainable employment 4. Commitments are made within the plan to facilitate and access mental health support for parents 5. Ensuring the parent engagement plan is co-delivered with the Integrated Commissioning Strategies 6. Developing a partnership approach and coordinated network of parental support, especially at points of transition for example when services change at the interface between child and adult services 7. Multi-agency workforce development 8. Designing a suite of evidence based tools to use with Plymouth families 9. Ensuring parental success and achievement is celebrated 10. Proactively raising awareness around Free Education places and the future increase of childcare entitlement from 15 hours to 30 hours

POOR DENTAL HEALTH



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
- Keeping people protected
- Inclusive communities
- Reducing health inequalities

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>By 2019 the dental health of children under the age of 16 has improved - with a reduction in the number of children having teeth removed</p>	<ul style="list-style-type: none"> ▪ 100% of Plymouth children have received a dental examination by the age of one, by 2019 ▪ Reduce the rate (per 10,000) of children under 10 in Plymouth who have been admitted to hospital for tooth extraction by 5% by 2019 ▪ 100% of the most deprived areas within Plymouth have received a supervised tooth brushing scheme by 2019. ▪ Reduce the rate (per 10,000 population) of children aged under 12 who have been admitted to hospital for tooth extraction in the 20% (four) most deprived wards in Plymouth by 10% by 2019. 	<p>The 'Dental Health' strategic theme group will oversee delivery of the following:</p> <ol style="list-style-type: none"> 1. A 'Teeth on Tour' road show spearheads all dental health promotion initiatives where appropriate 2. All children in Plymouth have access to a dental examination by the age of one year, to screen for risk factors for Early Childhood Caries (ECC) 3. A fluoride varnish scheme that is accessible in targeted schools (schools with children most at risk of poor dental health) and other appropriate settings such as nurseries, children centres (extend healthy smiles) 4. A supervised tooth brushing scheme to improve dental hygiene 5. Access to oral health improvement for children aged 5-7 (via Immersive Vision Technology IVT)

NARROWING THE ATTAINMENT GAP



Plymouth Plan Links:

Healthy City

- Delivering the best health, wellbeing and social outcomes for children, young people and families; and reducing and mitigating the impact of child poverty. (SO 4, Policies 8, 9, 11, 12, 15, and 16)

Growing City

- Developing a pipeline of skilled staff and supporting those who are outside of the labour market back into work. (SO 5, Policies 17 and 19)

Corporate Plan Links:

Caring Plymouth

- Focus on prevention and early intervention
- Keeping people protected
- Inclusive communities
- Reducing health inequalities

Growing Plymouth

- Quality jobs and valuable skills

OUTCOME	OUTCOME MEASURES	PRIORITY ACTIVITY
<p>The attainment gap at Key stage 2 and 4 is reduced;</p> <p>More children are able to read and write by the time they leave school.</p>	<ul style="list-style-type: none"> ▪ The attainment gap at key stage 2 is reduced to 5% by 2019, because more disadvantaged children achieve better results ▪ The attainment gap at key stage 4 is reduced to 5% by 2019, because more disadvantaged young people achieve better results 	<p>To address this theme, the 'Narrowing the Gap' strategic theme group will deliver a series of targeted engagement events/visits with schools and further education settings to: raise the profile of, generate buy in, and identify specific actions.</p> <p>Engagement activities will include:</p> <ul style="list-style-type: none"> ▪ Targeted visits to schools by elected member champions ▪ Hosting a workshop event for schools and higher education settings ▪ Establishing a forum for key learning stakeholder to contribute to this agenda <p>Potential future actions in this area could include:</p> <ul style="list-style-type: none"> ▪ All School Development Plans in the city commit to high standards of teaching with targeted, fully researched support for disadvantaged children that enable access to specialist teachers and interventions that are planned, personalised and safe ▪ Disadvantaged children have access to emotional and psychological support including: counselling, therapy, family liaison worker and subsidised access to school clubs and activities ▪ All schools facilitate access to a wide and varied curriculum that engages all children and families. Application of this learning would be applied through a variety of channels: arts, sciences, pupils voices ▪ Schools obtain the Bronze level (minimum) Healthy Child Quality Mark (HCQM) as a means to ensure appropriate health and wellbeing outcomes are embedded within school life

PLYMOUTH CITY COUNCIL

Subject:	Sharing Services Group
Committee:	Cabinet
Date:	11 October 2016
Cabinet Member:	Councillor Darcy
CMT Member:	Lesa Annear (Strategic Director for Transformation and Change)
Author:	Andrew Hardingham (Assistant Director for Finance)
Contact details	Tel: 01752 312560 email: andrew.hardingham@plymouth.gov.uk
Ref:	SRA/SSG092016
Key Decision:	Yes
Part:	I

Purpose of the report:

Plymouth City Council and its public sector partners are faced with challenging financial pressures and on occasions transformational and innovative solutions that push the boundaries are required to break new ground to achieve financial and other benefits.

The purpose of this report is to seek Cabinet approval to set up a Company Limited by Guarantee to enable ICT services to be shared with Livewell Southwest (formally Plymouth Community Healthcare) as a not for profit organisation. The report briefly sets out the business need, the legal position and the benefits of creating a Sharing Services Group in the form of a company limited by guarantee

Put simply, the following outcomes would be achieved through the arrangement proposed in this report

1. Livewell Southwest and Plymouth City Council would jointly own the sharing services company as founder members (a company limited by guarantee).
2. DELT supply ICT services to Plymouth City Council who as a member of the cost sharing group, would share these services for cost reimbursement with Livewell Southwest. This would retain the ICT supply in Plymouth thus benefiting the local economy
3. DELT's business would grow which would benefit its customer base and the owners of DELT.
4. The company will be set up to enable additional providers and recipients of services in future to enable services and the associated cost reimbursement to be shared

The proposals in this report have been the subject to research and ongoing dialogue with DELT and Livewell Southwest, together with appropriate professional advisors. Livewell Southwest have already secured Board approval for the proposals and DELT are set to obtain board and owner approval by 17 October 2016.

Due to the commercially sensitive nature of this report the main details are contained in an associated part II report

The Council Corporate Plan 2016 - 19:

Pioneering Plymouth

The Council along with its public sector partners are creating pioneering and innovative solutions to the financial challenges facing the public sector.

Growing Plymouth

The Council is working in partnership with Livewell Southwest to help grow the DELT business within the locality and support the need for the local public sector and not for profit sector to have opportunity to reduce its costs so more resources can be directed to front-line services.

Caring Plymouth

Livewell Southwest could reduce its support cost base to direct more resources to the frontline services to support the service users in Plymouth with their care needs

Confident Plymouth

We are confident that the public partnership grows in confidence through the innovative solutions identified in the report. We will take pride in the continued growth of DELT shared Services Ltd

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

There will be a range of financial implications associated with setting up and operating a company limited by guarantee. Details of these are contained in the part II report and these costs will be shared between the stakeholders involved

1. Set up costs will be shared between the Council, Livewell Southwest and DELT
2. Annual company running costs will be lower to start but could increase slightly as the company grows. These will be shared between the Council and Livewell Southwest
3. Financial benefits arising from the growth of DELT are shared between the company owners who are the Council and the Northern, Eastern and Western Devon Clinical

Commissioning Group (CCG). There will be the potential for more benefit as other providers and/or suppliers join the cost sharing group.

The set up and ongoing costs attributed to the Council will be covered by the budget realignment from the transformation of Finance FIT.

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

The risks associated with this are of a commercial nature and contained in the part II report

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Not applicable.

Recommendations and Reasons for recommended action:

Cabinet are recommended to

1. Approve the setting up for the sharing services group in the form of a company limited by guarantee to enable Livewell Southwest and the Council to share ICT services.
 2. Nominate the Director for Transformation and Change to represent the council as member representative and to exercise all voting rights on behalf of the council (subject to Key Decisions being reserved to the Leader/Cabinet) and take any necessary action to protect, safeguard, and effectively manage the council's interest in the company.
 3. Delegate to the Director for Transformation and Change:
 - a. the decision to agree the final name for the Company
 - b. to nominate officers of the council to act as the Executive Board Directors of the company
 - c. to nominate an officer to fulfil the seconded role as Chief Executive for the company (approximately 3-4 hours per month)
-

Alternative options considered and rejected:

The following alternative options were considered and rejected

1. Livewell Southwest becoming a member of DELT – rejected for legal reasons
-

Published work / information:

Not applicable

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Legal Opinion		X								

Sign off: comment must be sought from those whose area of responsibility may be affected by the decision, as follows (insert references of Finance, Legal and Monitoring Officer reps, and of HR, Corporate Property, IT and Strat. Proc. as appropriate):

Fin	SA FIN1617 108 23/09/20 16	Leg	2647 0/MS	Mon Off	DV S/2 647 4	HR	n/a	Assets	n/a	IT	n/a	Strat Proc	n/a
Originating SMT Member													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

PART I REPORT

1. Introduction

2. Livewell Southwest, formerly named Plymouth Community Healthcare, have for some time shown interest in accessing the ICT services provided by DELT. Discussions have been taking place and a range of options have been considered with a solution now being identified.

3. Business Need

4. DELT have ambitious plans to grow the ICT offer within and beyond the southwest which would be beneficial to the City Council and Northern, Eastern and Western Devon Clinical Commissioning Groups (CCG) as owners of DELT.
5. Livewell Southwest have a business need to drive cost down and ensure that as much resource as possible is allocated to support the needs of frontline service users. Livewell Southwest are in a position to negotiate new ICT services contract.
6. Practicable benefits from the proposed arrangements include the use of a portal for accessing ICT services and the sharing of common ICT standards and platforms whilst also exploring opportunities in future as technology advances.
7. Working together the local Plymouth public sector partners can create benefit for the city in retaining service delivery within the city and supporting the growth in the local economy

8. The Sharing Services Group Legislation

9. What is a sharing services group (SSG)? The SSG is a group of not for profit organisations who share services for cost reimbursement within a company
10. Article 132.1(f) of the EC Council Directive 2006/112 created the prospect of a VAT exemption for the sharing of particular business 'back office' services required by non-profit organisations. This legislation is intended to remove the financial burden faced by non-profit, but publically beneficial entities, of being unable to recover VAT paid out on business purchases because of the fact that their primary activities are non-business and so their revenue stream does not attract inbound VAT.
11. The exemption became enshrined in English law within the Finance Act 2012. It is contained in the amended Schedule 9, Group 16 VATA 1994.
12. However, the technicality of implementing such arrangements is challenging and complex. In order to ensure compliance the stakeholders, the Council, Livewell Southwest and DELT have sought specialist external professional advice.

13. Sharing Services – a Company Limited by Guarantee

14. The legal opinion to ensure compliance with relevant legislation requires the creation of an independent entity. The legal advice is to maintain maximum flexibility through

creating a Company limited by Guarantee. The legal opinion is commercially confidential and is appended to the part II report.

15. Plymouth City Council and Livewell Southwest would be the founder members of the company.
16. The proposed name of the company is yet to be finalised. The company could grow to include new members in future and also additional suppliers of relevant services. The company will be set up to be both flexible, broad in its remit and scaleable to “future proof” it.

The following relates to exempt or confidential matters (Para(s) 3 of Part 1, Schedule 12A of the Local Govt Act 1972). Any breach of confidentiality could prejudice the Council/person/body concerned & might amount to a breach of the councillors /employees codes of conduct.

Document is Restricted

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