

## CITY COUNCIL

11 APRIL 2011

### Cabinet minute 134 of 29 March 2011

#### INVEST TO SAVE INITIATIVES AND FINANCIAL UPDATE

The Corporate Management Team submitted a written report seeking approval of four invest to save schemes, the continuation of the Carefirst project, and an increase in capital and revenue resources for highway maintenance and coastal management / flood defence projects.

The report also proposed a change to the technical method for calculating the costs of supported borrowing within the statutory accounts and sought further changes to fees and charges.

Councillor Bowyer (Cabinet Member for Finance, Property, People and Governance) submitted the proposals and referred to supplementary reports that had been submitted on the procurement 'invest to save' proposal, including a confidential contract award report (referred to in minute 147 below).

Councillor Wiggins (Cabinet Member for Transport) reported on the highways proposals and referred to additional funding that had been received from the government which would be spent entirely on pot holes.

Councillor Mrs Watkins (Cabinet Member for Children and Young People) reported on the proposals relating to children's services.

The Chair referred to the proposal for free use of Tinside Pool and the Director for Corporate Support undertook to look at the possibility of providing refreshment facilities (and other franchises) at the pool.

Chris Randall (Finance Client Manager (Capital and Major Projects)) reported that, arising from the recent notification of additional monies for highway maintenance, the following amendments were required –

- (a) paragraph 6.3 (page 77 of the agenda papers) - the estimated spend was reduced from £1.2m to £760k;
- (b) paragraph 6.4 (page 77 of the agenda papers) – the contract break point was likely to be significantly less than £100k;
- (c) recommendation 5 would require amendment to reflect the increase in government funding.

Agreed that the City Council is Recommended to –

- (1) approve the commencement of the Parent and Child Assessment 'invest to save' project and that this be financed from the Council's revenue 'invest to save' reserve £0.073m in 2011/12 and £0.010m in 2012/13;
- (2) approve the inclusion of the Autistic Spectrum Disorder 'invest to save' project in the 2011/12 capital programme at an estimated cost of £0.657m to be financed from a mixture of general fund reserves and schools balances;
- (3) approve the continuation of the Carefirst project and to increase the capital programme for this project by £0.831m in 2010/11, £0.832m in 2011/12, £0.106m in 2012/13, £0.177m in 2013/14 and £0.377m in 2014/15. The revenue costs are estimated to be £1.006m in 2010/11, £0.425m in 2011/12, £0.399m in 2012/13, £0.400m in 2013/14 and £0.400m in 2014/15. Officers have now identified costs being incurred in 2010/11 (mentioned above) which could be treated as capital and would therefore allow the Council more flexibility in its financing options. Funding towards the project has been identified from existing revenue and capital budgets, however there will be temporary shortfalls totalling £0.600m which will need to be met from the revenue invest to save reserve;
- (4) approve the Accommodation Strategy Phase 2 'invest to save' project and to increase the capital programme for this project by £2.106m in 2011/12, £1.008m in 2012/13 and £0.500m in 2013/14 to be financed from capital receipts and temporary unsupported borrowing;
- (5) approve an increase in the transport capital and revenue allocation (from 2010/11 levels) towards highway maintenance (which includes 'pot hole' maintenance) of £1.003m. This will be financed from an estimated increase in revenue government grant of £0.433m and a reallocation within the transport capital programme approved at 28 February 2011 Council from the 'integrated transport block' and street lighting maintenance;
- (6) approve an increase in the development capital programme for 2011/12 of £0.581m towards flood and coastal erosion schemes following the award of external grant funding;
- (7) approve that the Minimum Revenue Provision policy for 2010/11 and 2011/12 is amended to reflect option 1 (the regulatory method) for borrowing supported by the government through the revenue support grant mechanism;

- (8) approve the delaying of changes to fees and charges relating to the adult social care 'fairer charging' policy until July 2011. This is due to the review of all clients not being completed until the end of June 2011;
- (9) approve making the use of Tinside pool free to all users during the summer of 2011;
- (10) consider the views of the Overview and Scrutiny Management Board, following referral of the 'invest to save' projects to the Management Board on 6 April 2011, to reflect previous recommendations for scrutiny involvement in 'invest to save' projects;
- (11) amend the revenue budget to include the procurement 'invest to save' proposal of £758,100.

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*Note:*

*The full report in connection with this minute is available on the website  
[www.plymouth.gov.uk/democracy](http://www.plymouth.gov.uk/democracy)  
or by contacting Democratic Support on 01752 304867*