

CITY OF PLYMOUTH

Subject: Extract from Performance and Finance Report (including Capital Programme update) approved by Cabinet on 15 November 2011

Committee: Support Services OSP

Date: 24 November 2011

Cabinet Member: Councillor Bowyer and Councillor Ricketts

CMT Member: CMT

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Ref: fin/djn1111

Key Decision: No

Part: 1

Executive Summary:

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

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

Performance summary

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

Examples of positive outcomes include:

- National Non Domestic rate collection (NNDR) is above target
- Council Tax collection rates remain strong at 54.04%

Areas requiring close scrutiny are:

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

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

Finance summary – Revenue Corporate Support & CEx

The Council is forecasting a revenue underspend at year end of £0.089m (previous report overspend £0.210m) against a net revenue budget of £32.303m (0.27%).

Corporate Support is showing an over spend of £0.019m; Chief Executive an under spend of £0.108m; this has improved by £0.299m in the three months from June 2011.

Good progress has been made against the £6.376m revenue delivery plans set for 2011/12. Where there has been slippage in implementation, Directors have brought forward other actions to compensate. There does however remain risk regarding the scale of change that we are implementing across the council. RAG rated delivery plans are detailed within the report.

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

Finance summary - Capital

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

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

Corporate Plan 2011-2014:

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

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

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

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

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

Recommendations & Reasons for recommended action:

That Cabinet:-

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

Background papers:

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

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

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

I. Introduction

- I.1 With diminishing financial resources, it is fundamentally important that the Council maintains a clear focus on delivering progress against the identified corporate and city priorities.
- I.2 A challenging set of revenue budget delivery plans have been approved for 2011/12 in order to deliver a balanced budget. Capital grants have been significantly reduced heightening the importance of clear prioritisation of spend linked to delivering tangible outcomes.
- I.3 Performance and Finance information, and associated Delivery Plans, are owned by Directors and their Management Teams. Much progress has been made in recent years to ensure that cross cutting priorities are delivered and that finance is allocated to areas of most importance to the public (e.g. protecting the delivery of front line services)
- I.4 This report outlines the progress against key performance indicators, forecasts the year end revenue position, provides details of progress against delivery plans and recommend updates to the council's capital programme and revenue reserves. This is the second quarterly report of the year, and the period of this report covers April to the end of September 2011.
- I.5 A score card has been included within each Directorate report which focuses on exception reporting and identifying remedial action to be taken where necessary.
- I.6 This report contains the following sections and Appendices:-

Section 'A' – Executive Summary - Performance

Section 'B' – Executive Summary - Finance

- Revenue
- Income
- Capital

Section 'C' – Executive Summary – Human Resources

Section 'D' – Departmental Performance & Finance Report

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

Section 'E' - Concluding Remarks

Appendices

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

SECTION A - EXECUTIVE SUMMARY PERFORMANCE









Performance Management arrangements

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

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

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

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

RAG Rating key - Budgets			
	0% - 0.8% overspend / 0% - 1.8% under spend		0.8% - 0.99% overspend / 1.8% - 1.99% under spend
	1% or more overspend / 2% or more under spend		
RAG Rating key -Measures – an average of all measures that sit within Departments			
	Indicators are on track		Overall rating is up to 15% off target
	Overall rating is more than 15% off target		No data available. Baseline data and targets are yet to be agreed
	No indicators set for this service		

2nd quarter performance headlines

Corporate Support

- 2.2 National Non Domestic Rates (NNDR) collection is above target at the end of September, standing at 65.85% against the in-year target of 60.65%.
- 2.3 Council Tax collection narrowly missed the in-year target during this period, recording 54.04% against a target of 54.28%
- 2.4 Sickness absences continue with a downward trend towards the Council's target of 6 days per FTE. New policies and procedures, as well as a focus on employee health are having the desired impact.
- 2.5 The cumulative average time to process new Housing and Council Tax Benefit claims is currently 28.9 days against an annual target of 20 days. Performance has slightly improved since the first quarter when it stood at 29.7 days. The new structure in the Revenue & Benefits department takes effect from 1st November; this will have a clear focus on driving service improvement.

Chief Executive

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

SECTION B - EXECUTIVE SUMMARY – FINANCE

3. General Fund Revenue Budget

3.1

Table 1- End of year revenue forecasts

DIRECTORATE	Council Approved Budget Feb '11 £000	Latest Approved Budget £000	Latest Forecast Outturn £000	Monitoring Variation June 2011 £000	Monitoring Variation Sept 2011 £000	Movement in Quarter £000	
CORPORATE SUPPORT	27,400	27,814	27,833	210	19	(191)	0.1%
CHIEF EXECUTIVE	1,508	2,492	2,384	0	(108)	(108)	-4.5%
CORPORATE ITEMS	3,693	1,997	1,997	0	0	0	0.0%
GENERAL FUND BUDGETS	32,601	32,303	32,214	210	(89)	(299)	-0.3%

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

3.2.1 Corporate Support:

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

3.3 Delivery Plan Update

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

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

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

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

Table 2 – Delivery Plan Summary

DIRECTORATE	Total Delivery Plans	Red	Amber	Green
COMMUNITY SERVICES	5,376	120	2,526	2,730
CORPORATE SUPPORT	400	100	300	-
CORPORATE ITEMS	600	295	-	305
Total Delivery Plans	6,376	515	2,826	3,035
% Total Delivery Plans	100.0%	8.1%	33.7%	47.6%

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

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

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

4 Income Summary

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

Table 3 – Income Collection performance

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

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

5. Capital Programme

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

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

Table 4 – Schemes Approved at July & October Council Meetings

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

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

Table 5 – Recommended Variations to Capital Spend

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

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

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

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

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

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

Capital Expenditure to Date

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

Recommendations:

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

Capital Receipts

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

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

- 5.11 The Council uses capital receipts as part of its funding streams; however the timing of when the capital receipts are paid into the Council does not always match up with when we wish to apply them to schemes. This mismatch on timing between capital receipts generated and capital receipts requirement has been flagged up consistently in previous reports. As such, any temporary shortfall of required capital receipts will need to be funded by short-term unsupported borrowing that would be financed from the Capital Finance Reserve or the working balance, until such time as additional capital receipts are generated.
- 5.12 Given the current economic climate it is likely that the potential capital receipts level may not be realised due to lower values being achieved, or sales delayed, and officers are constantly reviewing the position to achieve maximum returns. To fully fund our Medium Term Forecast, we require total Capital Receipts of £34.767m; our RAG rated receipts schedule currently projects receipts of £33.395m, leaving a shortfall of £1.372m

Capital Medium Term Forecast

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

Table 7 – Capital Medium Term Forecast & Funding

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

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

SECTION C – EXECUTIVE SUMMARY – HUMAN RESOURCES

Human Resources Key Messages

- 6.1 The total wage bill for the Council (including on-costs) is around £130 million. Each year the Council's budget includes a savings target of 3% for 'vacancy savings' which is naturally achieved from vacant positions and natural turnover of staff.
- 6.2 HR indicators monitor establishment, sickness and agency spend and details are now included on the departmental score cards. This section summarises the position across the Council as a whole, excluding schools, as at the end of September 2011.
- 6.3 **Key facts and figures are;**
- We currently have 3421.3 FTE central employees in post.

- Control of agency staff has improved, following the award of the temporary workers' (Pertemps), contract in 2010. Corporately a threshold of 5% of the total wage bill has been set, to monitor the use of agency staffing. Agency Spend is currently 4.93% of the monthly wage bill;
- Sickness – there have been improvements throughout the council at reporting absences providing much better management information. A rigorous target of 6 working days per FTE per year has been set. However, actual sickness levels at the end of September 2011 are 10.18 working days per FTE for the last rolling 12 months. There is a corporate drive to significantly reduce this level and HR is working closely with departments to consistently address proactive management of absence.

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

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

Redundancies and Voluntary Release:

6.5 At the end of September 2011, over the past 12 months, 70 people left the Authority for reason of redundancy and 53 people who were at risk of redundancy were redeployed.

6.6 The voluntary release scheme will result in a total of 85 people leaving the Authority before the end of the year.

6.7 The Council's target is to improve our rate of re-deployment to only one out of eight people being made redundant during 2011/12 through improved redeployment and vacancies created through the Voluntary Release Scheme.

6.8 The Council currently has £2.6m put aside in a specific reserve to fund the costs of redundancies and voluntary releases brought about by reducing the overall workforce.

Review of Terms and Conditions

6.9 The collective agreement was agreed and signed by the trade unions on 14 September 2011. This is delayed from the original implementation date of 1 April 2011.

6.10 Implementation is taking place in accordance with the implementation timetable.

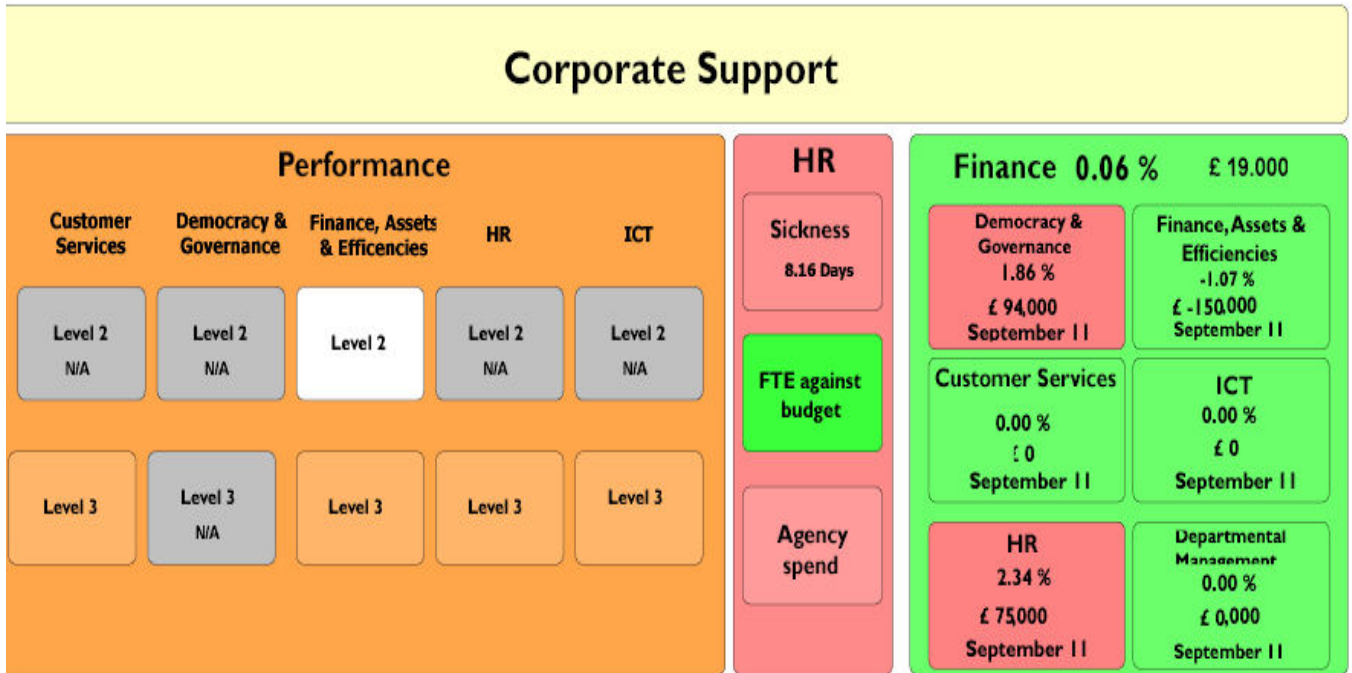
Senior Management Review

6.11 The new directorate structure was agreed by Full Council on 10 October 2011. This will reduce the number of directorates to three on 1 January 2012. Director level appointments are delegated to the Appointments Panel that will sit in November 2011.

6.12 Consultation has commenced on the next phase, which will involve changes to the assistant director structure. Recommendations on the new structure will be submitted to Full Council on 5 December 2011.

10. Corporate Support

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



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

Customer Services

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

Finance Assets and Efficiencies

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

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

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

HR and Organisational Development

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

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

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

ICT

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

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

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

Democracy and Governance

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

People Management

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

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

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

10.2 Delivery Plan Update

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

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

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

Cross Cutting Delivery Plans

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

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

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

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

10.3 Risks and Issues

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

10.4 Medium Term Issues

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

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

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

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

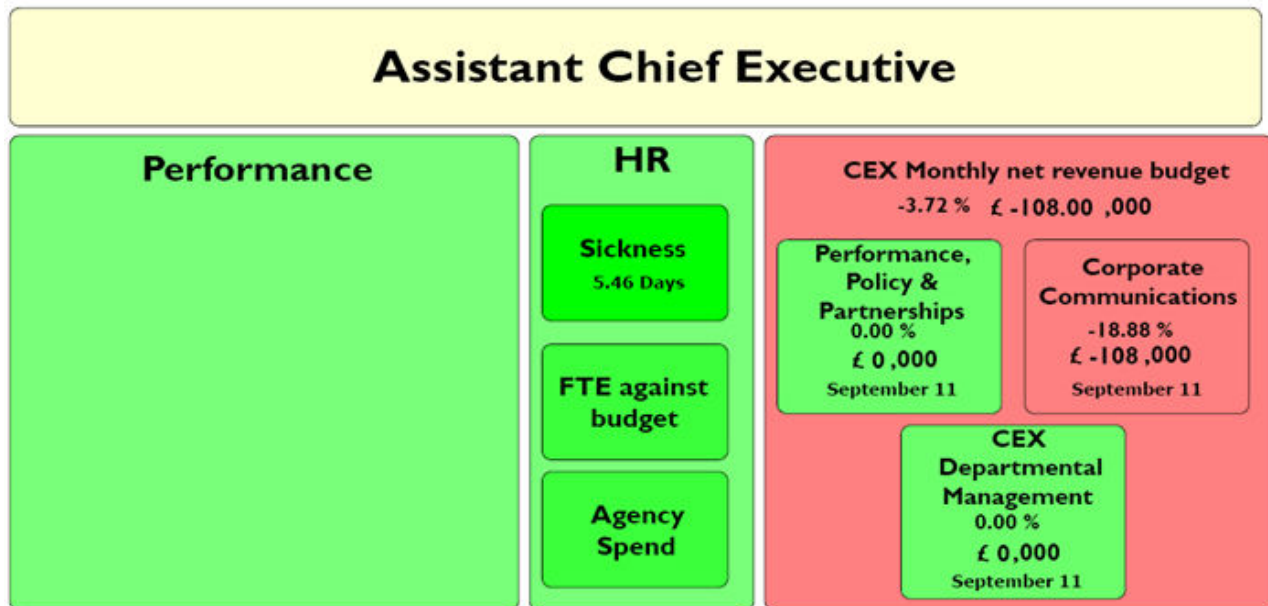
10.5 Invest to Save

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

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

11. Chief Executive

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



Responsible Officers: Ian Gallin, Giles Perrit, Richard Longford

Chief Executive

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

Performance & Policy

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

People Management

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

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

11.2 Delivery Plan Update

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

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

Printing, Publicity and Advertising – RED

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

11.3 Risks and Issues

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

11.4 Medium Term Issues

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

12. Corporate Items and Cross Cutting Issues

Revenue budget forecasted out-turn

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

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

Capital Financing Budget /Treasury Management

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

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

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

- **Debt Rescheduling**

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

- **Investments**

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

- **Reserves**

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

Icelandic Bank Update

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

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

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

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

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

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

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

Contingency

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

Budget Virements

- 12.7 The Council's net budget requirement was set by Council at its meeting on 28 February 2011 at £208.237m. Amendments to this overall budget can only be made by Full Council. During the year there will be several movements in budget allocations across services/departments as part of the delivery of the day to day business of the Council. Movements in the budget are continually tracked and an audit trail held for budget control purposes. In addition, Financial Regulations require all budget virements in excess of £100,000 to be approved by Cabinet.
- 12.8 Cabinet are now requested to approve the budget virements detailed in Table 9. All of these virements balance to zero with the overall council net revenue budget remaining at £208.237m

Table 8 – Virements over £100k for Cabinet Approval

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

A brief explanation of these virements is as follows:

Carry forwards

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

Budget Delivery Plan (including Disaggregation of Business Support)

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

Other

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

Insurances

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

Working Balance

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

Revenue Invest-to-Save Reserve

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

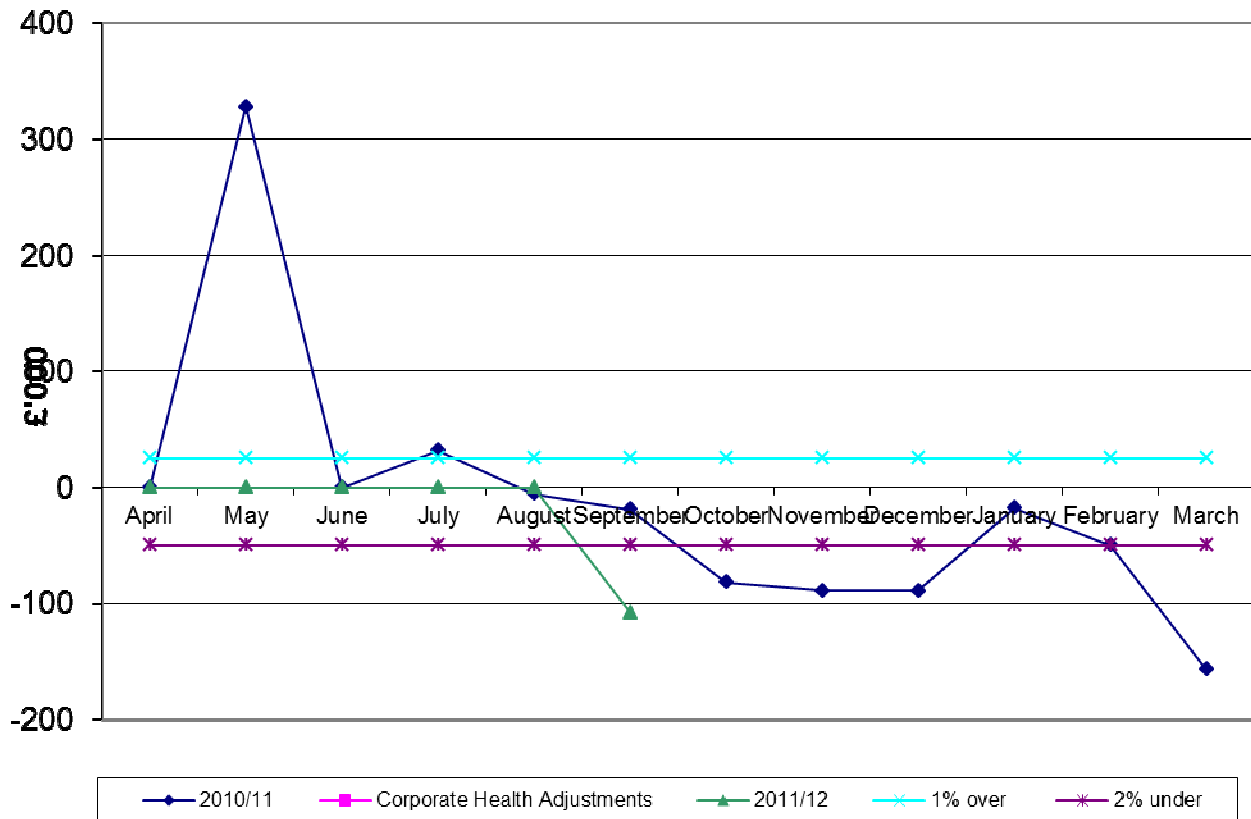
	£m
Invest-to-Save reserve balance June 2011	2.262
CIP reserve no longer required	353
Chief Executive 2010/11 Carry-forward	12
Corporate Capital Database 2010/11 Carry-forward	31
Corporate Support 2010/11 Carry-forward	66
Invest-to-Save reserve balance September 2011	2.724

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

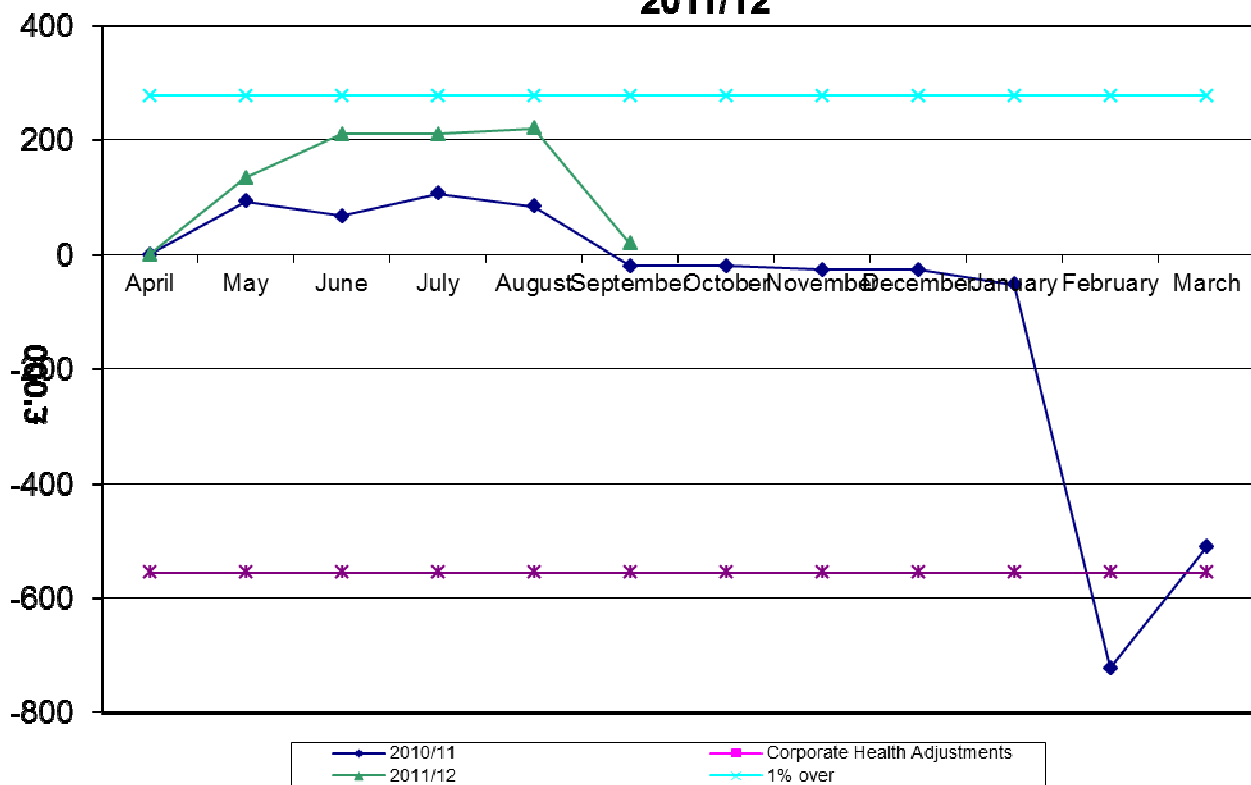
SECTION E - CONCLUDING REMARKS

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

Chief Exec Monitoring Comparison 2010/11 & 2011/12



Corporate Support Monitoring Comparison 2010/11 & 2011/12



Capital Programme – Variations and Re-profiling

Section 5.3 Table 6 cross-refers

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

APPENDIX B

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

Corporate Support Services Delivery Plans Sept '11

Appendix C

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

Corporate Support Services Delivery Plans Sept '11

Appendix C

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

2011/12

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

Chief Executive Delivery Plans Sep '11

Appendix C

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