

PLYMOUTH CITY COUNCIL

Subject: Invest to Save Projects Update
Committee: Support Services Overview and Scrutiny Panel
Date: 9 February 2012
Cabinet Member: Councillor Bowyer
CMT Member: Director of Corporate Services
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Ref: CDR/SKL
Key Decision: No
Part: I

Executive Summary:

This report provides an update on the ‘invest to save’ projects reported on and approved as part of the Cabinet approval on 29 March 2011, and the 12 July 2011

Corporate Plan 2011-2014:

The ‘invest to save’ projects support the four key corporate plan objectives, in particular through improving ‘Value for Communities’ by financially investing in initiatives that secure service improvements and net reduced service costs to offset the project costs.
Customers. <http://www.plymouth.gov.uk/corporateplan.htm>

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

The financial expenditure and savings to date (where applicable) have been indicated in the sections in the report which report the progress of each initiative. Where appropriate, savings have been built into medium term financial forecasts to assist in producing future years’ revenue budgets.

Key revenue budget delivery plans rely upon the successful implementation of these projects

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

Risks have been fully considered in drawing up and implementing the Invest to Save schemes. For example, the security and welfare of children has been thoroughly appraised within the Parent and Child assessment scheme.

Recommendations & Reasons for recommended action:

1. The panel are asked to note the report
2. The panel request that Cabinet consider how future 'invest to save' schemes are supported by robust business cases are to be financed

Alternative options considered and reasons for recommended action:

Not applicable as report only for information

Background papers:

'Invest to Save' Initiatives and Financial Update report to Cabinet 29 March 2011 and Overview and Scrutiny Board 6 April 2011

Modernisation & refurbishment of Western Approach car park report to Cabinet 12 July 2011

Sign off:

Fin	CDR/CorpF111 2001/11.01.12	Leg	AT/RSNI3665	HR	Corp Prop	IT	Strat Proc	
Originating SMT Member : Malcolm Coe								

1.0 Introduction

1.1 A report considered by Cabinet on 29 March 2011 approved four new 'invest to save' projects and the continuation of the CareFirst service improvement programme. The four new projects were as follows:

- Parent and Child Assessments
- Autistic Spectrum Disorder
- Accommodation Strategy Phase II
- Procurement

1.2 A subsequent Cabinet report on 12 July 2011 approved a further 'invest to save' project involving the modernisation and refurbishment of Western Approach car park

2.0 Parent and Child Assessments – proposed £0.083m revenue investment

2.1 The Parent and Child Assessment team will be fully staffed by the beginning of February 2012. The team manager was appointed at the beginning of autumn 2011 and took up her post at the beginning of October. She has completed the recruitment of the whole team including a temporary administrator, and an assessing social worker. The team have places on evidence based assessment training to be undertaken during January 2012.

2.2 The Parent and Child Assessment team will become operational in January 2012 and aim to have completed three parent and child assessments by the end of March 2012. Fostering aim to have approved one further set of carers (as a minimum), in addition to the current two sets, who will be available for parent and child fostering by end of March 2012. This will start to contribute towards the aim of reducing the number of out of city placements which will improve the service provided to families and reduce costs.

2.3 The initiative is estimated to provide estimated annual savings of £0.135m against approved budgets from year 3 onwards, which actually equates to £0.290m savings when compared to 2010/11 expenditure levels. Due to timings around staff recruitment and actual external placement numbers there are expected to be savings of up to £0.050m in 2011/12.

3.0 Autistic Spectrum Disorder – proposed £0.657m capital investment

3.1 The capital building procurement has commenced with detailed plans now established and the tendering process currently being undertaken. It is anticipated that subject to contract award building works will commence in February/March 2012 with a completion date of September/October 2012.

3.2 The period prior to the completion of the capital works will be used to identify potential service users and to develop the bespoke services that will be required to support them

3.3 Once the facility is completed it is planned to be able to support four young people internally rather than in residential care in the first year, and then six internally from then on in subsequent years. This is estimated to result in annual revenue savings of over £0.400m.

4.0 Accommodation Strategy Phase II – proposed £3.614m capital investment

- 4.1 Phase II included the plan to release the council from 3 leasehold properties, and the vacation/disposal of 15 freehold properties/sites. The disposal of the freehold properties will generate a capital receipt of approximately £2.9m
- 4.2 The overall budget delivery plan for the accommodation strategy, (phases I & II), in 2011/12 is to reduce revenue spend by £0.715m. We are making good progress against this target through vacating properties and reducing spend. We are confident that the savings are deliverable in the current financial year.
- 4.3 From 2012/13 onwards, the accommodation strategy target is to reduce revenue spend by £1.5m per annum. A significant proportion of these savings relate to securing a long term solution to the Civic Centre. We are about to embark on a formal sale and lease back procurement tendering exercise for the Civic however, we will not be able to generate the required full year savings for 2012/13. With this in mind, officers will need to develop further phases of the accommodation strategy over the coming months in order to address the short term funding gap.
- 4.4 In terms of offices and buildings that we have vacated to date / modernised, we have achieved the following:
- Palace Court – building handed back during December 2011
 - Dean Hill House
 - Fairburn House
 - Chaucer House
 - Southway (former Community College)
 - Enabled hot desking across a significant proportion of the Civic Centre and Windsor House
- 4.5 A key strand of the strategy is to enable a change in culture regarding the way in which the Council operates. We have achieved significant success in this, through utilising modern technology, improving communication, cross departmental working and developing a more flexible and professional working environment.
- 4.6 Moving forward, delivery of the accommodation strategy will need to remain fluid. For example, the initial plans to use the Parkside School site for a History Centre has now changed due to the new University Technical College utilising the site following a successful funding bid. This has required new plans to be drawn up to accommodate some of the library, museum and records office services. Currently they are part of the History Centre scheme which is awaiting joint funding bids, the progress of which will be better known in the summer of 2012.

5.0 Procurement – proposed revenue investment of up to £1.2m

- 5.1 The integration of a category management approach into a more strategic way of procuring all goods and services is being developed with the Council's tendered partner Agilysis. To date cashable savings of over £0.400m have been achieved, with £0.191m spent on the project. It is estimated that cashable savings of over £0.800m will be achieved by the end of the financial year with projected expenditure estimated at £0.240m. The cashable savings are estimated to increase in future years as category management projects and business cases are finalised and delivered.

- 5.2 Category management projects are being developed in the following areas, print and design, reprographics, asset management, fleet replacement, agency and consultancy and facilities management.
- 5.3 There have been significant efficiency savings resulting from the centralisation of the ordering and purchasing of goods and services, which will have allowed departmental staff to concentrate on service delivery as opposed to procurement.
- 5.4 A more detailed update on the procurement project is contained within a separate report which is also being discussed on this scrutiny agenda.

6.0 CareFirst – proposed £2.545m capital investment and £3.023m revenue investment

- 6.1 Since April 2011, Adults Social Care has seen the transfer of all front line workers from previous version to the new version of CareFirst Since April 2011. This has included the delivery of mobile technologies to enable workers to gain access to records and record information whilst in the client's home. New management and worker reports have been produced to ensure information is up to date and easily accessible using the very latest reporting technologies. All deliverables will be rolled out across the wider service in line with restructure plans.
- 6.2 Within Children's Social Care (CSC) work has been on-going to enhance the already improved environment enabled in 10/11. Client facing outputs have been totally transformed and embedded using tools delivered in 10/11 making a difference to quality of information shared and the time invested in data recording. Workers are seeing real benefits through products that gather information from across the system in one menu click. Together with the provision of timely management information, these developments have contributed to the successful Ofsted results achieved.
- 6.3 The capital and revenue investments in the on-going development of the CareFirst system have been funded from a mixture of existing adult social care capital grants and revenue budgets. The 2011/12 adult social care revenue budget delivery plan of £0.320m which is linked to the implementation of CareFirst 6 and Charteris Business Process Re-design is currently on schedule to be delivered. It is estimated that this will increase to over £0.900m from 2012/13 onwards.

7.0 Western Approach Car Park Modernisation – proposed £0.350m capital investment

- 7.1 This project included modernising the car park to make it a 'pay on foot' car park as well as decoration, signage and lift refurbishment works.
- 7.2 The conversion of the car park to 'pay on foot' was completed by the beginning of September and this has given patrons greater flexibility over how long they choose to park for. The remainder of refurbishment and improvement works including lighting and signage are being progressed in phases, with the initial phase completed in early December, and the whole scheme due to be completed by March 2012.
- 7.3 Completion of the 'pay on foot' facilities have enabled expenditure reductions which have been achieved through the deletion of a civil enforcement officer post at approximately £0.030m including on-costs as there is a reduced need for enforcement officers.

- 7.3 Experience from other car parks at Regent Street and Theatre Royal which have also been upgraded to 'pay on foot' is that the overall net income increases as patrons are no longer so restricted to time periods of their initial car park ticket purchases. It is too early to forecast the impact of this change in income streams at this stage. We will continue to review this through standard budget monitoring processes.
- 7.4 The original proposal estimated net savings (both reduced operating expenditure and increased income) of £0.070m in 2011/12 rising to net annual savings of over £0.130m by 2014/15.

8.0 Conclusions and Recommendations

- 8.1 The 'invest to save' initiatives are progressing well, at this stage they are not complete so whilst there is evidence of some service improvements and budget savings it is not possible to fully evaluate their success. It is anticipated that they should all be complete during 2012/13 and at the end of this financial year a full evaluation will be possible.
- 8.2 The panel are asked to approve the following recommendations:
1. The panel are asked to note the report
 2. The panel request that Cabinet consider how future 'invest to save' schemes supported by robust business cases are to be financed