PLYMOUTH CITY COUNCIL

Subject:	Full Business Case - "Introduction of Category Management – Fleet Services" Project
Committee:	Cabinet
Date:	2 September 2014
Cabinet Member:	Councillor Vincent
CMT Member:	Anthony Payne (Strategic Director for Place)
Author:	Stuart Cooper, Project Manager, Transformation
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Key Decision:	Yes
Part:	I

Purpose of the report:

This report provides an overview of the GAME Programme's "Introduction of Category Management – Fleet Services (ICMFS)" Project.

Plymouth City Council's Fleet and Garage service currently controls most of, and maintains efficiently, the Council's fleet. The procurement of vehicles across the Council is currently the responsibility of individual service areas. The Council's approach to procurement now needs to be addressed. With such a large Fleet having many users, controls and standards of procurement require review.

The project aims to address these issues through three workstreams:

- Fleet Management IT (FMIT) – the procurement and installation of both a FMIT system and a vehicle tracking system. Greater monitoring of the usage of each vehicle within the Fleet is required, in order to ensure that opportunities for financial savings aren't missed and evidence can be produced to challenge usage, in order to realise short-term benefits and quick wins.
- Finance Management – the monitoring of the procurement and commissioning of vehicular assets amongst the Council, in order to ensure maximum value for money is achieved in every aspect of vehicle usage.
- Commercialisation – exploration and consideration of additional commercial opportunities that are available to Fleet and Garage services. Commercialisation of Fleet and Garage services will examine the potential to work with partner organisations, as well as reviewing the current taxi MOT and licensing policy, to generate financial benefits.

Further efficiency of the workshop will be a major deliverable of this project, which will largely revolve around improvements to the productivity of the workshop and garage function.

The project aims to provide a total cumulative financial benefit of £2.05m by the end of financial year 2016/17 at an investment cost of £118k.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The following, taken from the Business Case, demonstrates the alignment of the project with the Corporate Plan.

A key driver for the Introduction of Category Management is Plymouth's Corporate Plan. This project recognises that a co-operative approach can enable the Council to work in different ways, producing savings while at the same time engaging with stakeholders and improving services. Therefore the project will be:

Democratic

The project proposes that elements of this project will be 'co-designed' and consultation will take place with members of staff within Fleet and Garage along with other service users, throughout the project, providing meaningful opportunities to influence provision. Alongside this, the Council will embrace democratic processes, maintaining a high level of contact with its stakeholders including further opportunities to 'co-design'. Examples of the projects democratic approach will include:

- All-Member briefings with feedback integrated into the project.
- Presentations to Cabinet Members and the Leader of the Council.
- Staff engagement events, for example 'Have Your Say Meetings', providing the opportunity for two way dialogue around elements of the project.

Responsible

The Council is facing a £64.5 million funding gap over the next 3 years, which requires services to be more responsible in their use of resources. In line with addressing this funding gap, a review was undertaken. The project is confident that it can realise savings of at least £300k per year (amounting to a £2.05m cumulative benefit) by introducing Category Management for all Fleet Services, as well as evaluating potential commercial opportunities available to the Fleet and Garage services.

Alongside this, the Council proposes to support the community to improve the safety of Plymouth's roads and reduce the carbon footprint that the Council currently has. The Council are confident that, through the implementation of FMIT and vehicle tracking, the Council can achieve greater efficiencies, safer roads and a much more eco-friendly Council.

The Council has a duty to ensure service cuts are minimised wherever possible, and the Introduction of Category Management – Fleet Services Project will provide monetary savings that will contribute towards the Councils funding gap. The service that the Council provides to its customers will not be negatively affected by the outcome of this project as a majority are internal, it will be significantly improved; however, the service will be more efficient in terms of financial expense and environmental impact.

Fair

This project will take a fair approach. Our communication campaign will ensure that the Council are open and honest with all stakeholders, informing them of the basis for change and providing the opportunity for two way dialogue. Likewise, the Council will be fair in offering all affected members of staff within Fleet and garage the opportunity to express their opinions and co-design elements of the project wherever possible. Additionally, this project will be fair in relation to the customer, ensuring the best value for money approach using public funding is taken. This project will not impact on the service being delivered

to the customers, but will increase service efficiencies and outputs through increased use of meaningful performance management. This project will also create opportunities for members of Fleet and Garage staff to learn the new skills that are necessary for operation within a modern Fleet and Garage environment.

Partners

The project will actively engage with any potential partners that may arise following an in-depth review of the commercialisation workstream associated with this project. For example, the project will:

- Use information from other organisations that have implemented similar projects/products, and learn from their experiences as a form of best practise.
- Engage with organisations such as Plymouth Community Homes, major employers such as NHS, Babcock & the Universities to optimise our resources and to promote a common approach.
- Explore the opportunity to engage and build relationships with neighbouring Councils to realise common benefits with similar services.
- Work co-operatively with partners to ensure that any outcomes of this project will not have an adverse effect on services and deliverables offered elsewhere.

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

- This project requires an investment in IT to implement a new Fleet FMIT system, amounting to £118k over a 3 year period. These costs are outlined in section 3.2 of the Business Case.
- The project will realise a cumulative benefit of £2.05m by the end of financial year 2016/17.

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

This project has a number of benefits:

- It will reduce the Council's carbon footprint.
- It will increase the safety of Plymouth's roads.
- It will reduce the risk of false insurance claims to the Council.
- It will reduce the risk of the Council not addressing its funding shortfall.

Equality and Diversity:

Yes – this document can be located in appendix item 10.2.

Recommendations and Reasons for recommended action:

The Council proposes the following option:

- "Introduction of Category Management - Fleet Services" (option 2 of the Option's Appraisal), to include the 3 workstreams associated with the option, stated previously.

It is the strong belief that Option 2, the Introduction of Category Management in Fleet Services, is the most cost-effective and beneficial option that is to be considered within this document. The reasoning

behind this recommended option is that it provides the optimum value for money in terms of financial input and the savings that can be achieved. As set out in the financial case section of this document, there is significant financial gain from implementing the ICMFS project. These gains/efficiency savings can't be achieved through both of the alternate options.

Our rationale for this recommendation is:

- Reviewing and reforming policies across the service will provide a holistic approach for increasing efficiencies across a number of areas with the Fleet & Garage Service
- This option will provide the potential to make a significant financial contribution towards bridging the funding gap that the Council is currently facing
- The ICMFS project will provide the controls & mechanisms required for a better delivery of the Fleet & garage service
- The ICMFS project will address the relevant capability gaps highlighted with the blueprint
- Valuable information sourced from a report, highlighting the significant financial opportunities that can be realised through the ICMFS project

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Alternative options considered and rejected:

The "Do Nothing" option was rejected for the following reasons:

- Opportunities to realise a cumulative benefit of £2.05m by the end of financial year 2016/17 will be missed
- Missed opportunities to increase efficiency relating to vehicle and plant procurement
- Missed opportunities to promote the positive aspects of the Fleet and garage services, such as the decreased carbon footprint and safer roads for the customer
- Missed opportunities to influence driving behaviours by using the data that FMIT would produce, in order to make vehicle usage even more efficient
- Missed opportunities to increase asset efficiency, and the potential savings through selling vehicles off will not be achieved. These assets will continue to depreciate and waste the Council's and taxpayer's money if not addressed

The "Alternative Service Delivery Vehicle (ASDV)" option was rejected for the following reasons:

- The ASDV will realise all benefits through increase efficiencies
- Potential negative staff and political views on alternate methods of delivery, leading to, in extreme cases, confrontational behaviour and actions
- The alternative method of delivery may not provide the service to the Council's desired standard, or to the standard that the Council had originally in place

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Published work / information:

No published work has been used in this document.

Background papers:

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7
Edge Report: Review of Street Services Plymouth City Council	Yes								

Sign off:

Fin	PlaceFES C1415006-SA-01/08/2014	Leg	20911/MS	Mon Off	21054/DVS	HR		Assets		IT		Strat Proc	
Originating SMT Member: Simon Dale													
Has the Cabinet Member(s) agreed the content of the report? Yes													

DRAFT Business Case

Programme Name:	*Growth, Assets and Municipal Enterprise*		
Date:	07/07/14	**Version:**	V0.01
Projects:	Introduction of Category Management – Fleet Services		
Author:	Stuart Cooper		
Owner (SRO):	Anthony Payne		

Document Control

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0.01	07/07/2014	Lewis Brewer	First draft	All Pages
0.02	21/07/2014	Stuart Cooper & Richard Hall	Re draft	All Pages
0.03	29/07/2014	Emily Hatcher & Anthony Payne	N/A	All Pages
0.04	29/07/2014	Sue Thomas	N/A	All Pages
0.05	30/07/2014	Lewis Brewer	N/A	All Pages
0.06	31/07/2014	Dalvinder Gill	N/A	All Pages
0.07	31/07/2014	Lewis Brewer	N/A	All Pages
0.08	31/07/2014	Simon Dale & Marc Gorman	N/A	All Pages
0.09	01/08/2014	Stuart Cooper	N/A	All Pages
0.10	08/08/2014	Stuart cooper	Legal and Finance sign off	
0.11	18/08/2014	Lee Bond	Response to Cabinet Planning	All Pages
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QUALITY REVIEWERS: (General QA and accuracy)

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Dalvinder Gill	Business Technical Architect		
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SIGN OFF:

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REVIEW AND APPROVAL PROCESS:

EXCEPTIONS/WAIVERS

Detail waiver/ exception	Requested by	Reason	Agreed by	Decision ID
ICT Procurement	Stuart Cooper Anthony Payne Simon Dale	Procurement of Fleet Management IT System	Hugh van Wijk (Head of Business and Technology Architecture)	001

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1. Preface: Transformation background and overview

An introduction to Plymouth City Council's Transformation Programme

Context

Drivers for Transformation:

The Brilliant Co-operative Council with less resource

On its adoption of a new Corporate Plan in July 2013, the Council set the bar still higher, to become a Brilliant Co-operative Council. This 'Plan on a Page' commits the Council to achieving stretching objectives with measurable outcomes, and also sets out a Co-operative vision for the Council, creating a value-driven framework for the way that it will operate as well as the outcomes that it is committed to achieve.

The Corporate Plan was developed using the principles of a Co-operative Council. It is a short and focused document, but does not compromise on its evidence base, and was co-developed with the Cabinet of the Council, before being presented in person by members of the Corporate Management Team to every member of staff throughout the Council at a series of 74 roadshows. The positive results of this commitment to strong communications and engagement were evidenced by 81% of Council staff responding to the workplace survey conducted in October 2013 agreeing that they understand and support the values and objectives set out in the Corporate Plan.

The economic, demographic and policy environment affecting a public service is accepted as the most challenging in a generation. At the same time as an aging population is placing increased demand on health and social care services, the UK is facing the longest, deepest and most sustained period of cuts to public services spending at least since World War II. The Council's Medium Term Financial plan identified in June 2013 funding cuts of £33m over the next three years which, when added to essential spend on service delivery amount to an estimated funding shortfall of circa £64.5m from 2014/15 to 2016/17, representing 30% of the Council's overall net revenue budget.

The Council has shown remarkable resilience in addressing reduced funding and increased demand in previous years, removing circa £30m of net revenue spend from 2011/12 to 2013/4 through proactive management and careful planning. However the Council has acknowledged that addressing further savings of the magnitude described above while delivering the ambitions of the Corporate Plan will require a radical change of approach.

Review of existing transformation programmes

The Council commissioned a report in June 2013 to:

- Examine the Council's financial projections and provide expert external validation of our assumptions about costs and income in the medium term
- Review the Council's existing transformation programmes and provide a view as to whether they will deliver against the Corporate Plan
- Provide advice as to how the Council might achieve the maximum possible benefit through a revised approach to transformation

The report validated the Council's current Medium Term Financial Plan based on projections and assumptions jointly agreed, and judged it to be robust, taking into account the complex financial landscape and changing government policy.

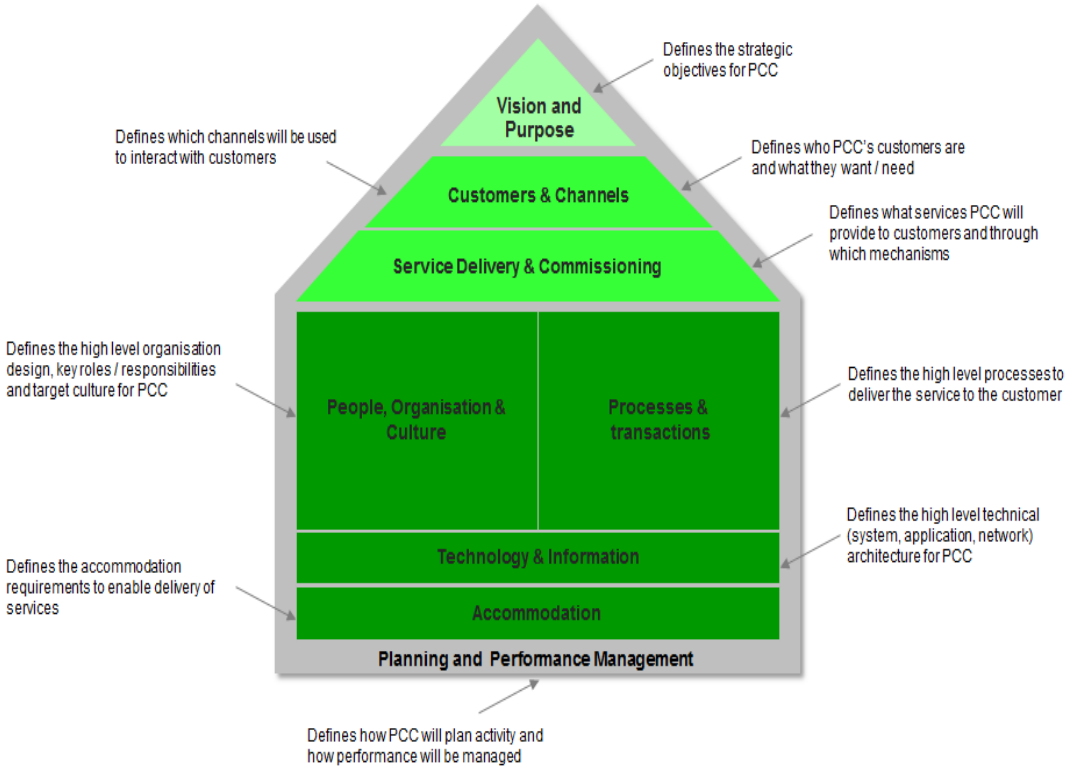
The Council has initiated a number of far-reaching and ambitious change programmes over 2012-13 to address the twin aims of addressing financial constraints and improving service delivery. These include:

- Investment in Customer Transformation and Core ICT infrastructure (Cabinet approval September 2012)
- ICT Shared Services: DELT (Cabinet approval October 2013)
- Redevelopment of the Civic Centre and future accommodation requirements (Cabinet approval September 2013)
- Modernising Adult Social Care Provision (Cabinet approval January and August 2013)
- Co-location with Clinical Commissioning Group at Windsor House (Cabinet approval January 2013)

In addition to feedback and advice about individual programmes, the Council received advice that has been carefully considered, and which has informed the overall design of the Transformation Programme and the content of the business cases for the five programmes.

Vision and Direction: The Blueprint

The Council has responded to concerns that, despite strong support for the Corporate Plan from both officers and members, there was a lack of clarity about how the Corporate Plan translates into practical action and a danger that the Council might be attempting to 'do the right things, but in the wrong way'. After significant consultation with Members and over 100 staff from all levels and disciplines within the organisation, the Council's vision for the Brilliant Co-operative Council has been translated into a Blueprint which describes the capabilities which the Council will need in the future. These capabilities will be commissioned by the Council and will result in services being delivered by the Council and a variety of other organisations operating across the public, community and voluntary and private sectors. The components of the Blueprint are illustrated below:



To inform the development of the main components of the Blueprint, a number of principles have been developed co-operatively with Members, senior officers and staff to ensure that the values set out in the Corporate Plan guide how the Blueprint is developed.

Governance and Oversight

The Council has also responded to advice that governance and oversight arrangements for transformation projects would benefit from being strengthened. Whilst ensuring that the Council's existing constitutional arrangements for decision making are unaffected, a number of bodies have been put in place to ensure a co-ordinated approach is taken to oversight of the Transformation programme. The detail of the transformation governance arrangements were considered by the Council's Audit Committee on 13 March 2014 and can be summarised as follows:

Members

- The Co-operative Scrutiny Board and Panels are aligned to the Transformation programmes that match their terms of reference

Officers

- The Transformation Portfolio Board co-ordinates the delivery of the Blueprint, prioritises decisions within and between programmes, ensures effective engagement, ensures overall resourcing and delivery of the programme and recommends Programme Business cases and exceptions. It is chaired by the Chief Executive and comprises Senior Responsible Officers for the Programmes, the Transformation Director, engagement leads, finance and HR Responsible Officers and the Head of the Portfolio Office
- Programmes are led by a Senior Responsible Officer, who is accountable for the successful delivery of the programme, achieving desired outcomes and realising expected benefits and is responsible for chairing the Programme Board and leading the Programme
- Each project within the five Programmes is led by a Project Executive who is accountable to the Senior Responsible Officer for the successful delivery of the Project, and chairs the Project Board.
- The Portfolio Office provides co-ordination and support across all the programmes and projects and ensures that sufficient capacity and capability is in place to deliver the overall programme.

2. Executive Summary

Plymouth City Council's Fleet and Garage service currently controls and maintains the Council's fleet. However, it currently operates with what is believed to be a greater number of vehicles within its fleet, than is necessary.

The procurement of vehicles across the Council is currently the responsibility of individual service areas. The Council's approach to procurement now needs to be addressed. With such a large Fleet having many users, controls and standards of procurement need to be implemented.

The proposed solution includes the Fleet management and maintenance function taking control of all Fleet matters, allowing a holistic view and central support and challenge across the Council. To do this will require some investments in Fleet systems, including control system and tracker systems to allow better visibility and transparency of Fleet assets. The Fleet team will also require development to ensure a performance driven and service orientated culture.

By taking this 'Category Management' approach to Fleet Services, there are some significant financial benefits which will be realised in terms of the Fleet Services function being able to drive;

1. Fewer vehicles (greater utilisation)
2. Reduced vehicle downtime
3. Improved fuel control
4. Better value procurement

Overall these opportunities will deliver significant financial benefits. The project is targeting to deliver at least £300k per annum in savings in the first year and a further £500k in the second year. This will result in an annual revenue reduction of £800k per annum by 2016/17. To deliver this, there is a need for a one off total investment of £118k (i.e. for control, trackers and IT systems). More detailed figures relating to this projects financial plan can be located with section 8, "Financial Case" of this document.

By developing the Fleet management and maintenance teams and making the service financially viable, the service will be better able to compete in the market place. There will also be an opportunity to attract income by delivering Fleet Services to other organisations.

The benefits outlined above are compelling and make internal transformation of the service the most sensible option. Whilst other options such as looking to create an alternative method of delivery were considered, the loss of the efficiency benefits through an alternate service delivery model make this option unattractive given the Council's financial position.

This project should enable Fleet services to be the vanguard for all services that have Fleet usage/requirements and are seeking to implement Category Management as part of their transformation programme.

Other local authorities have gone a step further and integrated their Fleet management operation with their passenger transport operation i.e. the management and coordination of all transport requirements to Children (Home to School) and Adults to Day Care whether these be through internal Fleet Services and drivers or taxis. The creation of a more robust and holistic Integrated Transport operation will provide the platform and opportunity for this to be possible in Plymouth at

a later date, and is proposed to be pursued as a next stage of work. A post of Head of Integrated Transport for the Council has been proposed, similar to other Councils across the country and a Council the size of Plymouth would be expected to possess such.

3. Case for Change

3.1 Current Situation

The procurement of vehicles across the Council is currently the responsibility of individual service areas and it is now in the position where there are in excess of 300 vehicles within the Council's fleet. With such a large Fleet having many owners, controls and procurement of vehicles could be even more effective.

In January 2014, the Council undertook a review of the Street Services Department. The outcome of this review identified significant operational savings and made recommendations on changes to working practices which would deliver reduced costs, increase income and therefore deliver better value for money. The Fleet of vehicles that the Council currently utilises are under a range of ownership (i.e. owned, leasing, short time hire arrangements etc.), with no centralised management team. This provides the Council with the opportunity to holistically manage its Fleet across the Council in terms of requirement, utilisation and ensuring best value across all provided services.

There is now a real opportunity for Fleet services to become accountable for providing a full Fleet Management service and to take control of better Fleet utilisation and fuel use. Achieving this will require improved control, measurement and development of performance data for the Council's Fleet which can be provided by the full introduction of fit for purpose Fleet management system. The review, combined with a range of other internal measures, has identified 3 key areas for improvement that can be incorporated within the "Introduction of Category Management – Fleet Services" (ICMFS) project.

The project aims to address these issues through three workstreams:

- Fleet Management IT (FMIT) – the procurement and installation of both an FMIT system and a vehicle tracking system. Greater monitoring of the usage of each vehicle within the Fleet is required, in order to ensure that opportunities for financial savings aren't missed and evidence can be produced to challenge usage, in order to realise short-term benefits.
- Finance Management – the monitoring of the procurement and commissioning of vehicular assets amongst the Council, in order to ensure maximum value for money is achieved in every aspect of vehicle usage.
- Commercialisation – exploration and consideration of additional commercial opportunities that are available to Fleet and Garage services. Commercialisation of Fleet and Garage services will examine the potential to work with partner organisations, as well as reviewing the current taxi MOT and licensing policy, to generate financial benefits

The evidence for the development of this business case comes in many forms and has been collected over a lengthy period of time to provide justification for this review. One key recommendation of the review is that all Fleet vehicles should be managed by a central unit having control with the benefit of accurate management information over every vehicle. Currently each individual service area has a subjective view over the requirement and utilisation of their vehicles, and could oppose a Fleet reduction. On the other hand, a central Fleet management unit would have control over the whole fleet, and more objectively challenge the data surrounding the usage of vehicles, and can proceed to identify opportunities to drive further efficiency utilising this data. A key objective of this project will be to address this issue, and

establish a central team, under the previously mentioned post of Head of Integrated Transport, across the Council, within the scope of the Co-operative Centre of Operations (CCO) Programme. This new post is reflected in the proposals for the Creation of a Brilliant Co-operative Street Service.

3.2 Benefits and Capabilities

The resulting Transport function will provide the Council with the control and surety that the Council is achieving the best possible value for money from its Fleet asset. By developing the commercial and performance skills of the team, the function will be able to offer a credible challenge to service users and provide advice, innovative solutions and the best possible vehicle specifications, choices and value. There are many opportunities to make the maintenance of vehicles more effective and efficient which will allow a resultant positive impact on the number of spares required across the organisation. With a thorough review across the Council, improved measurement of utilisation then the number of vehicles can be reduced.

These benefits will have some significant financial impacts;

Therefore, net revenue budget reductions will be achieved through a combination of improved efficiency, changes to methods of procurement, and modified management and maintenance of vehicles, whilst maintaining an appropriate and defined quality and standard of service for the public aligned to the Service's vision.

The project aims to deliver at least £300k per annum over the next 3 years through savings & efficiencies on the Category Management element of the project alone. The review has also identified other areas where savings and efficiencies can be realised, as well as additional incomes streams which are yet to be calculated in terms of financial viability, such as the Commercialisation workstream within this project so that services can be offered to other organisations with fleets. This will not be dependent upon the agreement of the Commercialisation Strategic Plan. At this point in time, the Council is currently not competitive, and the ICMFS Project will work towards achieving the goal of becoming more commercially competitive as an organisation.

This project will achieve efficient and effective integrated Fleet management and be the first project to be launched with a Category Management focus within Plymouth City Council with an objective to:

- Provide greater value for money through more effective Fleet commissioning, procurement, management and maintenance
- To establish a central team to purchase/lease, and manage all Fleet and transport assets and activities, to include the identification of members of staff who currently carry out these responsibilities to be formed into an Integrated Transport team.

Investments

This project will require investments in IT software and staff training in order to complete its aims and objectives and these are presented in the table below. The IT software investment cost would be an 'Invest to save' investment and the maintenance of the software would be from ongoing revenue and projected over a 5 year life cycle. There is currently a £10k revenue charge for the existing Fleet Management IT (FMIT) system which this would replace and therefore resulting in a £9k net increase annually, once the initial investments have been made. Initial staff training costs is included in the implementation costs, with key staff developed as trainers for this software package, in order to ensure continuity.

Investment Type	Cost 14/15 £k	Cost 15/16 £k	Cost 16/17 £k	3 Year Total £k
IT Software Investment	91	0	0	91
IT Software Annual Maintenance	19	19	19	57
IT Software Annual Maintenance (saving from existing system)	(10)	(10)	(10)	(30)
Total	100	9	9	118

Benefits

This project will aim to deliver benefits through a number of workstream categories. This project will also deliver the capability to better manage Fleet requirements through improved information management and procurement/maintenance management. This will result in the potential to release benefits, stated in the table below, over a 3 year period, ending in 2017. The table below highlights the area the benefit will come from, the amount that is expected to be achieved, and when the benefit is due to be realised. The figures captured in the table below are estimates based on the assumptions outlined within this document. The success of this project can be evaluated against these figures, as to whether the desired financial outcomes have been realised and exceeded.

The project is targeting to deliver at least £300k in savings in the first year and a further £500k in the second year. This will result in an annual revenue reduction of £800k per annum by 2016/17. To deliver this, there is a need for a one off total investment of £118k (i.e. for control, trackers and IT systems). More detailed figures relating to this projects financial plan can be located with the "8. Financial Case" section of this document.

Benefit	Target 14/15 Qu 2 £k	Target 14/15 Qu 3 £k	Target 14/15 Qu 4 £k	Target 14/15 £k	Target 15/16 £k	Target 16/17 £k	3 Year Total £k
Fleet Utilisation	8	25	37	70	200	200	**470**
RCV's	27	74	110	211	440	440	**1,091**
Spot Hire Reduction			3	3	15	15	**33**
Fuel - Control and Management			6	6	75	75	**156**
Compete for External Commercial Opportunities					50	100	**150**
Taxi licencing / MOTs					50	100	**150**
Total Cumulative Benefit	**35**	**99**	**156**	**290**	**830**	**930**	**2,050**

4. Strategic Case

4.1 Scope

In Scope

The scope of this project encompasses all vehicles, plant and machinery assets owned, leased, or hired by Plymouth City Council. The project will examine how each of the vehicles within the Council's Fleet are currently being utilised and how they are being maintained in order to establish how many of each type of vehicle are actually required. The evidence produced, in the form of reports, by the FMIT software will be used for challenging service users in the future. Challenges to these users will include additional asset purchases, in order to reduce unnecessary expenditure.

Also within the scope of this project is the implementation of Category Management to the available options across the fleet. This will be done in order to find the most cost effective and sustainable method of obtaining vehicles over the long term. Once achieved, the procurement principles will be used by the centralised vehicle management team.

Project scope also includes the way that vehicles are maintained within the garages, to develop more cost effective solutions for their upkeep. This element of the project will involve, amongst many other initiatives, the utilisation of evening and weekend time slots, when the vehicles aren't in use, to carry out maintenance work. This will incorporate and dovetail with the initiative of changing of maintenance operative shift patterns, which is dependent on and falls under the scope of the CABCSS (Creating a Brilliant Co-operative Street Services) project.

This project will also consider the commercial operating potential of the Fleet management and maintenance services. This will be achieved by utilising the facilities that the Council already has, to provide MOT and servicing to potential customers and partners as a method of improving the income stream of that area.

Additionally, the project will be introducing the installation of vehicle trackers into all Council owned Fleet vehicles and heavy plant vehicles. The use of the new GPS trackers will enable supervisors to track the movement of vehicles in order to ensure they are being used to their full potential, in terms of their time in use by Council employees. Tracking data obtained from this will also verify whether a vehicle is being under-utilised, which will provide the grounds to challenge service users. Additionally, these trackers also provide greater security against theft for Council Fleet vehicles, and will provide the ability of monitoring usage and utilisation.

There is also likely to be the potential for the lessons learnt from the implementation of FMIT and category management to be applied across the Council, relating to most forms of procurement, in the form of best practise.

Furthermore, this project will be reviewing the staff transport policy, in order to ensure that members of staff are undertaking the most cost-effective and efficient method of transport whilst at work, to further contribute towards the Councils goal of reducing its emissions and carbon footprint.

Out of Scope

The responsibility for negotiating the changes to shift patterns to allow for complete utilisation of the workforce Fleet does not fall under this projects scope, as it will be achieved through the "Creating a Brilliant Co-operative Street Services" (CABCSS) project. However, some of the deliverables of this project are dependent upon achieving a more efficient shift schedule and will benefit the management of Fleet services for the whole of the Council. Whilst this project will be delivering the controlled/monitored Fleet of vehicles that Street Services staff will be using, it does not fall under this projects scope to manage the negotiations around changes to terms and conditions.

4.2 Strategic Fit

This project will align with a range of internal and external strategies.

A key driver for the Introduction of Category Management is Plymouth's Corporate Plan. This project recognises that a co-operative approach can enable the Council to work in different ways, producing savings while at the same time engaging with stakeholders and improving services. Therefore the project will be:

Democratic

The Council propose that elements of this project will be 'co-designed' and consultation will take place with members of staff within Fleet and Garage along with other service users, throughout the project, providing meaningful opportunities to influence provision. Alongside this, the Council will embrace democratic processes, maintaining a high level of contact with Councillors including further opportunities to 'co-design'. Examples of the projects democratic approach will include:

- All-Member briefings with feedback integrated into the project.
- Presentations to Cabinet Members and the Leader of the Council.
- Staff engagement events, for example 'Have Your Say Meetings', providing the opportunity for two way dialogue around elements of the project.

Responsible

The Council is facing a £64.5 million funding gap over the next 3 years, which requires services to be more responsible in their use of resources. In line with addressing this funding gap, a review was undertaken. The Council is confident that it can realise savings of at least £300k per year (amounting to a £2.05m cumulative benefit) by introducing Category Management for all Fleet Services, as well as evaluating potential commercial opportunities available to the Fleet and Garage services.

Alongside this, the Council proposes to support the community to improve the safety of Plymouth's roads and reduce the carbon footprint that the Council currently has. The Council are confident that, through the implementation of FMIT and vehicle tracking, the Council can achieve greater efficiencies, safer roads and a much more eco-friendly Council.

The Council has a duty to ensure service cuts are minimised wherever possible, and the Introduction of Category Management – Fleet Services Project will provide monetary savings that will contribute towards the Councils funding gap. The service that the Council provides to its customers will not be negatively affected by the outcome of this project as a majority are internal, it will be significantly improved; however, the service will be much more efficient in terms of financial expense and environmental impact.

Fair

This project will take a fair approach. Our communication campaign will ensure that the Council are open and honest with all stakeholders, informing them of the basis for change and providing the opportunity for two way dialogue. Likewise, the Council will be fair in offering all affected members of staff within Fleet and garage the opportunity to express their opinions and co-design elements of the project wherever possible. Additionally, this project will be fair in relation to the customer, ensuring the best value for money approach using public funding is taken. This project will not impact on the service being delivered to the customers, but will increase service efficiencies and outputs through increased use of meaningful performance management. This project will also create opportunities for members of Fleet and Garage staff to learn the new skills that are necessary for operation within a modern Fleet and Garage environment.

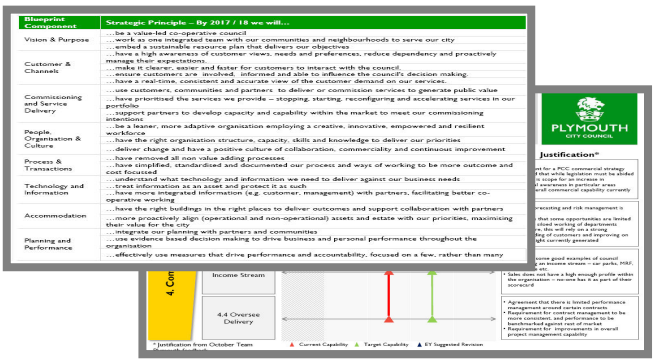
Partners

The Council will actively engage with any potential partners that may arise following an in-depth review of the commercialisation workstream associated with this project. For example, the Council will:

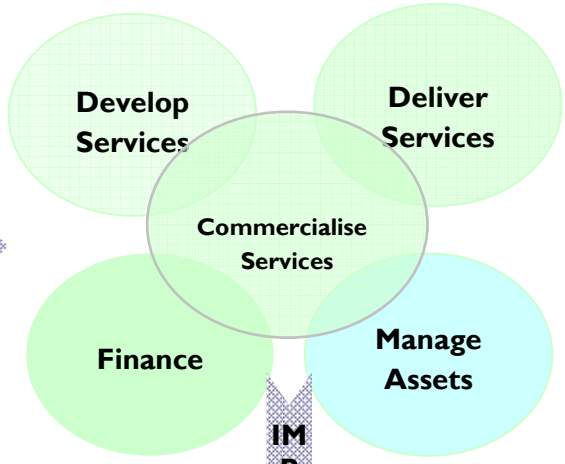
- Use information from other organisations that have implemented similar projects/products, and learn from their experiences as a form of best practise.
- Engage with organisations such as Plymouth Community Homes, major employers such as NHS, Babcock & the Universities to optimise our resources and to promote a common approach
- Explore the opportunity to engage and build relationships with neighbouring Councils to realise common benefits with similar services
- Work co-operatively with partners to ensure that any outcomes of this project will not have an adverse effect on services and deliverables offered elsewhere

4.3 Fit/Alignment with Blueprint

The Blueprint has been guided by a set of principles that focused on a number of organisational areas and highlighted a number of capability gaps that required initiatives to fill those gaps.



Blueprint



4.4 Assumptions

This Project will assume the following:

- That where any changes in policy are required, they will be considered without delay to the project
- Where capital investment is identified for improvement to services as identified in the business cases, funding will be available.
- Members will support this project.
- That staff will engage with and understand the need for the changes proposed in the project and are given the opportunity to input into it.
- Red book changes to conditions of service for the 8 Fleet and Garage employees (11 across the Council, who are on red book) are implemented as a part of the "Creating A Brilliant Co-operative Street Services" (CABCSS) projects deliverables
- FMIT investment is approved in a timely manner

4.5 Strategic Risks

The strategic risks are:

- The Council fails to achieve its savings targets, resulting in service provision that is unsustainable. The ICMFS Project is a mitigation to this risk, proposing savings that will contribute to the Council achieving its saving targets while at the same time improving a service , making it more efficient and opening it up to an increase in commercial activity
- The project fails to realise additional benefits through modified driver behaviours, as a result of the data that FMIT will produce. Although the contributions of driver behaviours to this projects financials are minimal, any benefit that has the potential to fail to be realised can be classed as a strategic risk.
- The project fails to properly embed a changed way of working, through the poor communication of change to members of staff, resulting in none-compliance. This will be mitigated by a significant communications campaign, regular engagements and communications of updates and progress to affected members of staff.

4.6 Constraints

There are a range of constraints that may impact on the successful delivery of the project:

- Political support: the Council require political support for changes to terms and conditions of staff within the Fleet and garage service. Without this, the deliverables that are interdependent with those of the CBCSS project will not deliver its financial capabilities and benefits. It will also require political support in altering the Taxi Licensing Policy, in order to promote the use of the Council's MOT Service for Taxi licensing. This will ensure a consistent control and approach to licensing quality.
- Resource needs: resources are required to ensure that the project is properly staffed and to implement an effective communication plan. Without the human resource element, this project will not be able to deliver the documentation and management, to include communications that will ultimately result in the financial benefits through the projects outcomes.
- Staff support from the Fleet and garage Service. Ultimately, these members of staff will see the most significant changes and they will be directly affected, therefore any potential dispute with them is likely to cause future problems for this project.

4.7 Dependencies

The ICMFS Project is reliant on:

- Pre-requisite good shared planning, judgement and decision-making by the Transformation Programme, stakeholders and ICT Project team;
- Successful implementation of policy changes
- An effective communications plan for informing members of staff of any changes that are to be made, and developing an effective feedback mechanism for the changes where appropriate
- The compliance of Council staff in altering working conditions, such as their working days and hours.
- Constructive involvement from Trade Unions and political parties to ensure that members of staff are satisfied with changes to their working week and potential changes to working conditions.
- Funding and approval for expenditure through political buy-in
- Accurate budgeting, forecasting and accounting, to be monitored periodically and updated
- Robust business intelligence data and information
- Resource availability
- Adherence to scope

This Project will be a part of the overall Transformation Programme, and will be aligned with it.
The required outcome is to have Category Management in place by April 2015 in order to fully realise efficiency based benefits.

The most crucial dependency to this project is gaining the authorisation to implement the Fleet Management IT system (FMIT). A waiver relating to the procurement of FMIT has been granted. The successful implementation of FMIT will produce statistical figures for Fleet management, replacement, downtime, fuel usage, behaviours of drivers and the ability to electronically monitor what maintenance work is being carried out, all relating to specific, individual vehicles within the Council's fleet. Plymouth Fleet services on behalf of the Council intend to upgrade its current Fleet management system, as it is over 6 years old and is now out of date, unsupported and is not capable of supporting the requirements for incorporating the Council's Transport Services into an Integrated Transport function. The current contract has been extended with the supplier and is now over due for renewal. This provides the opportunity to procure a new FMIT system that is much more fit for purpose and cost effective.

A further dependency for the project is the need for political buy-in, as this project will affect the working arrangements of a large group of staff, as well as changing how a very integral part of the Council works for the foreseeable future. Additionally, Trade Unions and the workforce will have a significant involvement within this project.

4.8 Opportunities

The ICMFS Project presents the opportunity to:

- Increase the efficiency and cost-effectiveness relating to the procurement of vehicular assets
- Review the current Fleet to ensure that the needs and requirements of current members of staff to complete their jobs are met
- Allow the (successful) changes to procurement and the principles followed to be replicated and enforced across the Council, to produce a more efficient and cost-effective Council.

5. Options Appraisal

Option 1 – Do Nothing / BAU

Option 1	
Do nothing The Fleet & garage services would continue to operate to their current standards	
Key Benefits • Fleet and garage services will continue to operate to their current standards • Additional project investment costs of £26k will be avoided. However a FMIT cost would be incurred irrespective of this project • The Council will avoid sensitive issues surrounding changes to terms and conditions changes with the 8 members of Fleet and Garage staff (11 across the Directorate)	***Key Risks*** • The Council faces a £64.5 million funding gap over the next 3 years. Therefore current service provision is arguably not sustainable in its current form • There will be little control over vehicle and plant procurement. The current method of working is unsustainable and would benefit from a thorough review process. • Missed opportunities to promote the positive aspects of the Fleet and garage services, such as the decreased carbon footprint and safer roads for the customer • Missed opportunities to influence driving behaviours by using the data that FMIT would produce, in order to make vehicle usage even more efficient • Currently under-utilised assets will continue to not realise the potential savings that can be achieved through the selling of vehicles. These assets will continue to depreciate if not addressed.
Outcome of options appraisal: It was decided that this option is **not viable** and a change to the operations must take place in order to deliver the required outcomes	

Through the implementation of Option 1, the Council will continue with the current level spending, and forego the opportunity to realise £2.05m benefits over the 3 year period.

Option 2 – Implement ICMFS Project (Set out in the PID)

Option 2	
Implement ICMFS Implementation of an Integrate Category Management Fleet System	
Key Benefits • 300k saving per annum identified from savings & efficiencies over the next 3 years • Provide greater value for money to Plymouth City Council through more effective Fleet commissioning, procurement, management and maintenance • Decreases unnecessary depreciation of assets	***Key Risks*** • Investment in IT is required • Possible IT integration issues • Resistance to installing this type of software (tracking) • Temporary disruption to the current service
Outcome of options appraisal: It was decided that this option is **viable** and can provide the desired outcomes. Note, this option is already in motion and small, but significant benefits have already been realised.	

This option realises £2.05m over the 3 year period, as explained within the Financial Case section of this document.

Option 3 – Alternative Service Delivery Vehicles (ASDV)

Option 3	
ASDV's Looking at an alternative service delivery vehicle	
Key Benefits • Potential to reduce costs • Better delivery of service	***Key Risks*** • The ASDV will realise all benefits through increase efficiencies • Potential negative staff and political views on alternate methods of delivery, leading to, in extreme cases, confrontational behaviour and actions • The alternative method of delivery may not provide the service to the Council's desired standard, or to the standard that the Council had originally in place
Outcome of options appraisal: It was decided that this option is **not viable** currently because the Council would miss out on reaping the efficiencies /benefits for themselves Note, the ASDV option is still a possibility for the Fleet and garage services, and this should be revisited. The Council may seek to do so when all the benefits have been realised on their behalf, and an efficient and effective service has been established.	

6. Recommendation

Option(s)	Rationale	
Option 2	• Provides an holistic approach for increasing efficiencies across a number of areas with the Fleet & Garage Service • Provides the potential to make a contribution towards bridging the funding gap • Provides the controls & mechanisms required for a better delivery of the Fleet & garage service	Addresses the relevant capability gaps highlighted with the blueprint

It is the strong belief that Option 2, the Introduction of Category Management in Fleet Services is the most cost-effective and beneficial option that is to be considered within this document. The main tasks that will be involved within this project are set out within the Project Plan of the PID document. Key milestones have been inserted within this document to give an idea of the work involved in achieving the desired outcome, which is realistic and achievable. The reasoning behind this recommended option is that it provides the optimum value for money in terms of financial input and the savings that can be achieved. As set out in the financial case section of this document, there is significant financial gain from implementing the ICMFS project. These gains/efficiency savings can't be achieved through both of the alternate options.

Time pressures relating to the recommended option come in the form of the documentation processes that the project team will need to follow in order for this project to be approved. There will be interdependencies, as previously stated, with the "Creating a Brilliant Co-operative Street Services" (CABCSS) project relating to the changes to terms and conditions of employees which, if opposed, will result in an elongated process and will cause potential delays in the delivery of this project.

The "Do Nothing" option would be the simplest option to follow, but this option would miss out on multiple opportunities for efficiencies and savings to be achieved within the Council's Fleet and Garage Services. The "Do Nothing" option has been rejected, as it would be too costly for the Council to continue operating with its current Fleet management approach. The Council has the responsibility to ensure that public funding is utilised in the most efficient and effective way.

While the "Alternative Service Delivery Vehicles" (ASDV) option is a potential option for the future, it is currently not a financial or politically suitable path to follow in this circumstance, as the benefits that can be realised in Fleet and garage should come under the Council. The "Alternative Service Delivery Vehicles" Option has been rejected, as it is not financially suitable for the Council to consider an alternative method of delivery, given the Fleet and Garage services current position. Once the service has been fully optimised, there may be the option to delivery this ASDV. Likewise with the "Do Nothing" option, there is an obligation to ensure the Council is using public funding appropriately, and it is the strong belief of the ICMFS Project team that this is currently not an option.

7. Benefits Realisation

This project will plan to realise benefits both during and after the projects time scope, and will be monitored throughout the projects life cycle. Benefits will be captured and recorded as and when they are realised, and reported on to ensure that the project is delivering to the standards set in the Business Case.

The Project will achieve the following benefits:

- A most cost-effective and efficient Fleet and garage service
- Significant savings can be achieved through the decrease in depreciation of Council assets
- More eco-friendly vehicles and driver behaviours through the behaviour management of the IT package, allowing for a decrease in the Council carbon footprint
- A vast opportunity to promote positive key messages to members of staff and members of the community/customers regarding efficiencies and carbon footprint reduction
- A potential decrease in inaccurate insurance claims, as tracking hardware/software will be able to justify vehicle locations
- Safer streets, for both the public and Council members of staff

8. Financial Case

The table below represents the in-depth financial figures associated with the successful implementation of this project, split into the 3 year financial plan that this project will be implemented across.

The funding source for this project will be the Transformational Change budget within the Council, with certain elements of the project being classed as "Invest to save", which therefore qualified the agreement of a waiver being produced for FMIT. The FMIT procurement element of this project has been classed as "Invest to save"; therefore the funding has already been secured out of the Transformational Change budget.

Description of Change Initiative:	**2014/2015 £k**	**2015/2016 £k**	**2016/2017 £k**
Fleet utilisation	70.84	200.02	200.02
Refuse Collection Vehicles	210.84	440.02	440.02
Spot Hire	3.75	15	15
Fuel control & management	6.25	75	75
External Commercialisation	0	50	100
Taxi Licensing / MOT's	0	50	100
Totals:	**291.68**	**830.04**	**930.04**
Cumulative Totals:	**291.68**	**1,121.72**	**2,051.76**

	2014/15											
	April £k	May £k	June £k	July £k	August £k	September £k	October £k	November £k	December £k	January £k	February £k	March £k
Fleet Utilisation					4.17	4.17	8.33	8.33	8.33	12.50	12.50	12.50
Refuse Collected Vehicles					9.17	18.33	18.33	18.33	36.67	36.67	36.67	36.67
Spot Hire										1.25	1.25	1.25
Fuel Control & Management										2.08	2.08	2.08
Total					**13.34**	**22.50**	**26.66**	**26.66**	**45.00**	**52.50**	**52.50**	**52.50**

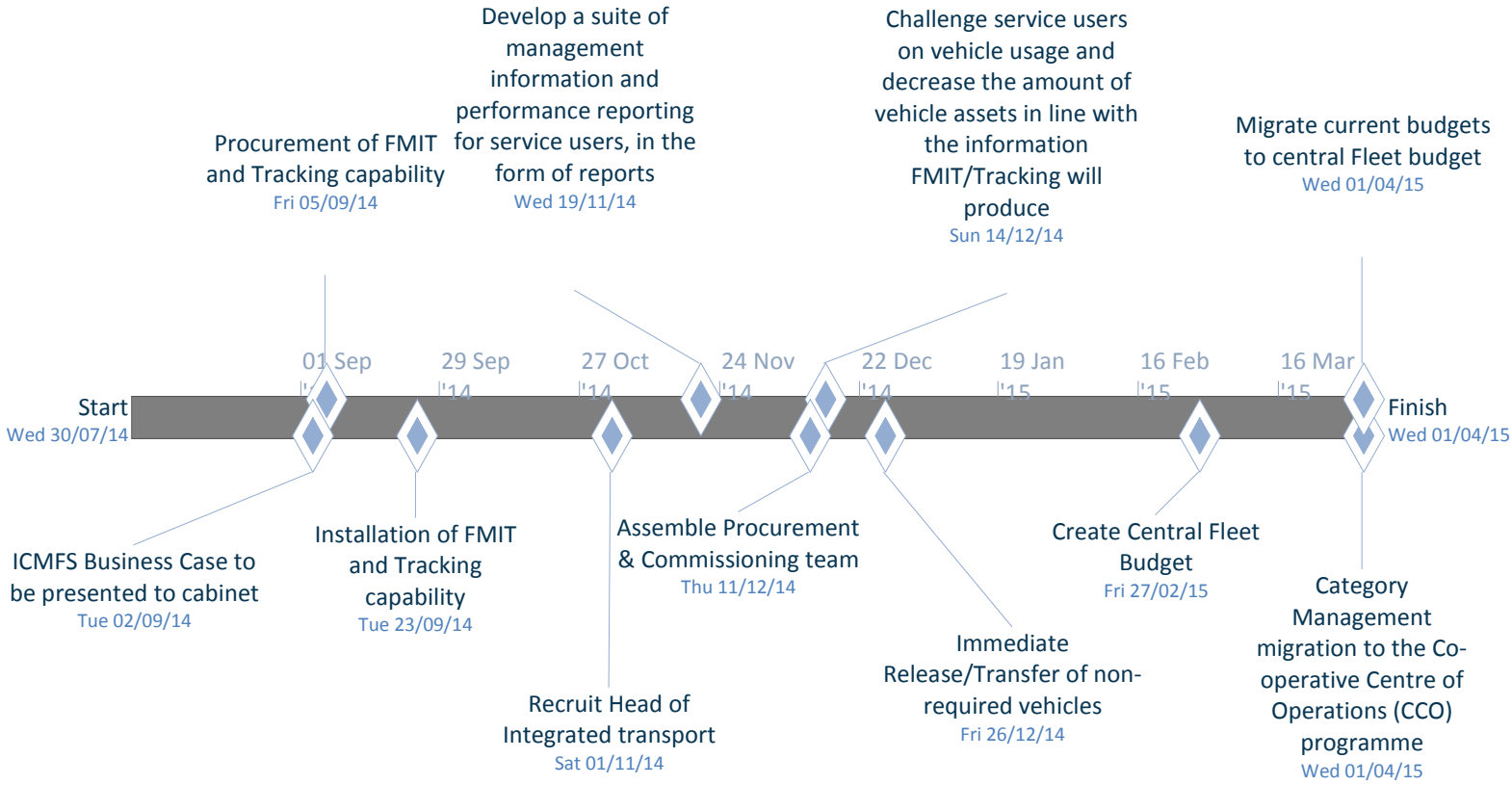
	2015/16

	April £k	May £k	June £k	July £k	August £k	September £k	October £k	November £k	December £k	January £k	February £k	March £k
Fleet Utilisation	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67
Refuse Collection Vehicles	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67
Spot Hire	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Fuel Control & Management	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
External Commercialisation							8.33	8.33	8.33	8.33	8.33	8.33
Taxi Licensing / MOT's							8.33	8.33	8.33	8.33	8.33	8.33
Totals:	**60.84**	**60.84**	**60.84**	**60.84**	**60.84**	**60.84**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**

	2016/17											
	April £k	May £k	June £k	July £k	August £k	September £k	October £k	November £k	December £k	January £k	February £k	March £k
Fleet Utilisation	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67	16.67
Refuse Collection Vehicles	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67	36.67
Spot Hire	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Fuel Control & Management	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
External Commercialisation	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33
Taxi Licensing / MOT's	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33	8.33
Totals:	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**	**77.50**

9. Management Case

9.1 Project Plan



9.2 Key Milestones and Dependencies

Milestone / Deliverable	Date	Dependencies
ICMFS Business Case to be presented to cabinet	02/09/14	Production of a successful Business Case
Procurement of FMIT and Tracking capability	05/09/14	Approval from "Invest to Save"
Installation of FMIT and Tracking capability	23/09/14	Successful Procurement of FMIT and Trackers that meet the specification required
Develop a suite of management information and performance reporting for service users, in the form of reports	19/11/14	Successful Installation of Tracking hardware and FMIT software
Identify underutilised vehicles from reports	25/11/14	
Review requirements for vehicles, compared to the current Fleet capability	25/11/14	
Collect & Review Business Cases for Short Term Hires **(STH)**	27/11/14	
Immediate release of non-required STH's	28/11/14	Business Cases for STH's are collated
Recruit Head of Integrated transport	01/11/14	Suitable candidate pool
Assemble Procurement & Commissioning team	11/12/14	Suitable candidate pool
Challenge service users on vehicle usage and decrease the amount of vehicle assets in line with the information FMIT/Tracking will produce	14/12/14	FMIT and Trackers producing valid reports relating to vehicle misuse/under-utilisation
Immediate Release/Transfer of non-required vehicles	26/12/14	There is enough evidence to show that vehicles are not being used to their full potential
Create Central Fleet Budget	27/02/15	
Migrate current budgets to central Fleet budget	01/04/15	Minimal resistance to budget management changes, and effective mitigations of any resistance are implemented
Category Management migration to the Co-operative Centre of Operations (CCO) programme	01/04/15	Successful set up of Procurement and Commissioning Team within CCO

9.3 Key Risk Analysis and Risk Management

The key risks to this project, inserted below, have been derived from the Programme level RAID (Risks, Assumptions, Issues, and Dependencies) log.

Risk ID	Description	Likelihood	Impact	Mitigation
GAME_06_RSK_36	Delays in the procurement of the FMIT software system	3	4	02/07/14-Support from the ICMFS project board, linking with business architecture and CCO, to ensure that the CCO programme are aware of all activity. Ensure IT have resources available
GAME_06_RSK_40	User departments not engaged with challenge/performance management process	2	2	02/07/14-Comms and Engagement with other departments
GAME_06_RSK_42	Delays to street scene initiatives relating to shift pattern changes	3	3	02/07/14-Getting clarification surrounding what people currently understand
GAME_06_RSK_43	Deferral of overall levels of benefits realised as a result of slow definition and documentation of integrated transport management and category management processes and procedures	3	1	02/07/14-Identify and document (structure neutral) required processes and procedures. Indicate structural options to Business Architects for review by end Sep'14.
GAME_06_RSK_50	Recruitment process does not find candidate for head of integrated transport unit with sufficient capabilities to deliver project to requirements	3	2	02/07/14- should the recruitment process not find the required quality, an interim will act in their capacity.

9.4 Quality Assurance

Quality Responsibilities	Responsibilities are shared between: Stuart Cooper – Project Manager Simon Dale – Project Executive Alex Hurth – Programme Manager Dalvinder Gill – Business and Technology Architecture Anthony Payne – Senior Responsible Officer Additional governance will be provided at various levels, including the project board, programme board and by Councillors		
Quality Criteria	**Quality Tolerance**	**Quality Method**	**Quality Check Skills Required**
Efficient and effective fleet, minimal downtime of vehicles, increased life-span of vehicles and plant equipment, a customer-focused service from Fleet Support. O-license compliance.	Quality tolerance for this product is low. It is essential that the Fleet is maintained to a good specification, to support all other dependant services and to ensure that Fleet vehicles are fit for purpose.	The following methods will be used ensure quality: - Production of management information - Challenge of service users - Changes to budgets	Quality checks will need to be undertaken by management and frontline staff who have the required skills to identify potential problems and provide solutions. Embed the culture of becoming a Brilliant Co-operative Council into the service provided.

9.5 Change Management

The following cooperative approach to change will be followed:

1. Preparing for change — Understand the current situation, the case for change, the future vision, consider what needs to be different

2. Designing the change — Involving others, working cooperatively, using co-design principles with stakeholders

3. Making the change — Use of change agents where appropriate, monitoring progress, listening to feedback, use lessons learned, sharing success

4. Embedding the change — Ensuring the change is sustained and does not revert back to previous state, ongoing measurements and use of performance management data

Some preparation for changes in Street Services started in 2013, when numerous large-scale staff engagement workshops were held with Street Services staff and they provided feedback and ideas for service improvement; including amongst many other things, ideas to further commercialise the Fleet and Garage section. A report published in 2013 also confirmed there was opportunity to improve the management of Council fleet vehicles which would ultimately lead the service to a more efficient, cost-effective and sustainable position, whereby commercialising services could be a consideration in the future.

A cooperative approach to change is essential for this project, particularly in respect of the Fleet and Garage staff that will be directly impacted by numerous changes as result of this project. The approach will reflect the council's cooperative values and keep the customer at the heart of any considerations around proposed service changes.

The project has informally agreed a number of cooperative change commitments that will shape the approach to change, any related engagement activities and will help take the directly-affected staff through the change itself. These commitments are expected to stand throughout the project (through the preparation, design, implementation and embedding phases) and beyond:

- Co-design changes with key stakeholders wherever possible and appropriate
- Seek feedback and advice on change proposals from the parties who have a vested interest or responsibility for those stakeholders the change is likely to impact
- Close feedback loops (to ensure those who provide feedback know what it has been used for)
- Make connections and work collaboratively with other departments and partners as necessary
- Seek to learn lessons and best practice from other internal services and external organisations on their experience of relevant / similar changes
- Create opportunities to listen to those who are affected by the change
- Monitor and measure the effectiveness of the change

One of the critical changes required to achieve project success is the change to shift patterns. Although this project does not include the responsibility for the negotiations, the reaction and engagement of the Fleet and Garage staff that are directly affected, will be a key factor to consider. It will therefore be imperative this project works closely with those who are negotiating the changes, to ensure that messages around the need for the change is clear, and that project plans reflect acknowledge of the period of negotiations and are sympathetic to the likely reactions of staff to this change in their working practices.

The Fleet and Garage culture also needs to change to one that is evidence-based and performance-driven and eventually one that is commercial. This requirement is also supported by the CBCSS and Commercialisation projects which seek a similar culture change within Street Services. The FMIT is integral to achieving this and alongside strong emphasis on staff development and opportunities for co-design, there will be consistent and meaningful staff communication, alongside regular provisions for staff to contribute their thoughts, feelings and suggestions in a meaningful and relevant way.

In order to ensure any changes are embedded and sustained, steps will be developed to ensure the 'previous' operating state cannot be reverted to. This will include the ongoing use of performance metrics and relevant management information which will become a normal part of the services' evidence-based performance management culture in the future.

9.6 Communications and Engagement

Communication of Key Messages

This project aims to be an 'exemplar' of co-operative values, therefore communication and engagement activities will sit at the heart of the approach that we will take.

Key Messages for the Public / Community -

There are numerous opportunities to share positive messages with the community in relation to this project. For example, the project will create a much more sustainable service that is more efficient, cost-effective, better for the environment (through lower carbon emissions) and provides the Council with an increased awareness of driver behaviours which will contribute to safer streets within the city.

Key Messages for Staff

Key messages for Fleet and Garage staff have explained the need for the change and the likely impact on them. There are positive messages for staff as this project seeks to invest in the service and develop staff to progress towards an improved and sustainable position in the future, where commercial expansion can be considered.

All drivers of fleet vehicles will need to be informed of the new vehicle tracking component, and all the positive benefits that it will bring. One key result of this is going to be safeguarding for employees from false insurance claims that have been issued against them. The vehicle tracking capability will support them in these cases, providing evidence to show that certain accusations are false.

Those employees who currently manage fleet budgets will need to be informed of the project intentions and case for change, particularly around the need for a centralised budget and integrated transport unit. Potentially service budgets will need to be remodelled to ensure there are tighter controls on fleet spend and this is likely to impact services across the organisation.

This project will support the changes to working practices in the ongoing restructure, as well as supporting the necessary operational changes. Involving staff in meaningful ways, to enable them to provide input into the project and to feel involved in this transition, is crucial to the success of this project. This project's deliverables are closely linked with the deliverables of the "Creating a Brilliant Co-operative Street Services" project. Amending the working week within street services will allow for the reduced number of vehicles produced from ICMFS to be fully utilised to their maximum level of efficiency.

This project is closely linked to the "Creating a Brilliant Co-operative Street Service" (CABCSS) project, surrounding the changes to working practices within the Garage and Fleet Service

Key Messages for Members

Elements of this project are dependent on political support, and therefore effective communication with key political members of the council is critical to this project's success. This projects interdependency with the CABCSS, in terms of the changes to terms and conditions, relies on political support for the change, and the change itself to be implemented.

Members will be briefed on progress throughout the project and achievement of key deliverables will serve as positive messages that can be shared with the community. It will also be important to inform of the benefits associated with camera and tracking software e.g. improved driver behaviour, increased road safety, reduced number of insurance claim payments etc. which will support Members when speaking with residents in local communities.

Key Messages for Partners

We will actively engage with various partners particularly to learn and share knowledge from those who have implemented FMIT previously, understanding their experiences will enable us make the implementation a success and pre-empt any areas of potential difficulty.

Furthermore, the commercialisation workstream associated with this project will require the identification and consideration of potential commercial partners for the future and close partnership working will be necessary with them to explore the commercial viability of the Council's fleet and garage service.

Key Messages for Stakeholders

A key message grid has been developed; incorporating the key messages that this project will need to deliver and shows which type of stakeholder the message will apply to. This can be located as Appendix item 10.1.

Engagement

The Project will need to engage with members of staff, partners, customers, community and elected members of the Council to ensure all opinions and ideas are captured in helping to build a co-designed service moving into the future.

Staff Engagement

As explained in the "Communication of Key Messages" area above, engagement with Staff will be vital to the success of the project, as almost all the work associated will directly or indirectly affect them. The table below shows the different categories of staff and how they are related to this project, through a RACI breakdown, to ensure they are engaged with in the correct and most efficient way.

Stakeholder	Responsible	Accountable	Consulted	Informed
CMT		X	X	
SMT		X	X	
Trade Unions			X	
Council Staff – Fleet & Garage			X	X
Council Staff – Additional Fleet Users			X	X
Council Staff – Council wide				X
Transformation Programme		X		

Member Engagement

The project will need to utilise the democratic decision making processes available, and be aware of the importance, where appropriate, of ensuring elected member/political engagement throughout the transformation process. This will involve existing opportunities for member engagement and information sharing. Furthermore elected members, where appropriate, will also need to receive feedback from other engagement strands to aide broader understanding of how the Council are using a co-operative approach to engagement throughout the Transformation Programme. This list of elected member stakeholders may change to reflect the scope of the relevant project.

Stakeholder Type	Stakeholder	Responsible	Accountable	Consulted	Informed
Elected Members	Cabinet		X	X	
	Shadow Cabinet				X
	Member Transformation Board		X	X	
	Council's Scrutiny Function			X	
	Transformation Advisory Group			X	
	MPs				X

Community Engagement

Although there will be little direct impact on the community, this project will present opportunities to inform about the benefits this project will deliver, as many of the changes will have a positive indirect impact on Plymouth residents. Opportunities to promote positive aspects of this project will be presented throughout this project's life cycle.

Stakeholder Type	Stakeholder	Responsible	Accountable	Consulted	Informed
Community	Members of the Community				X

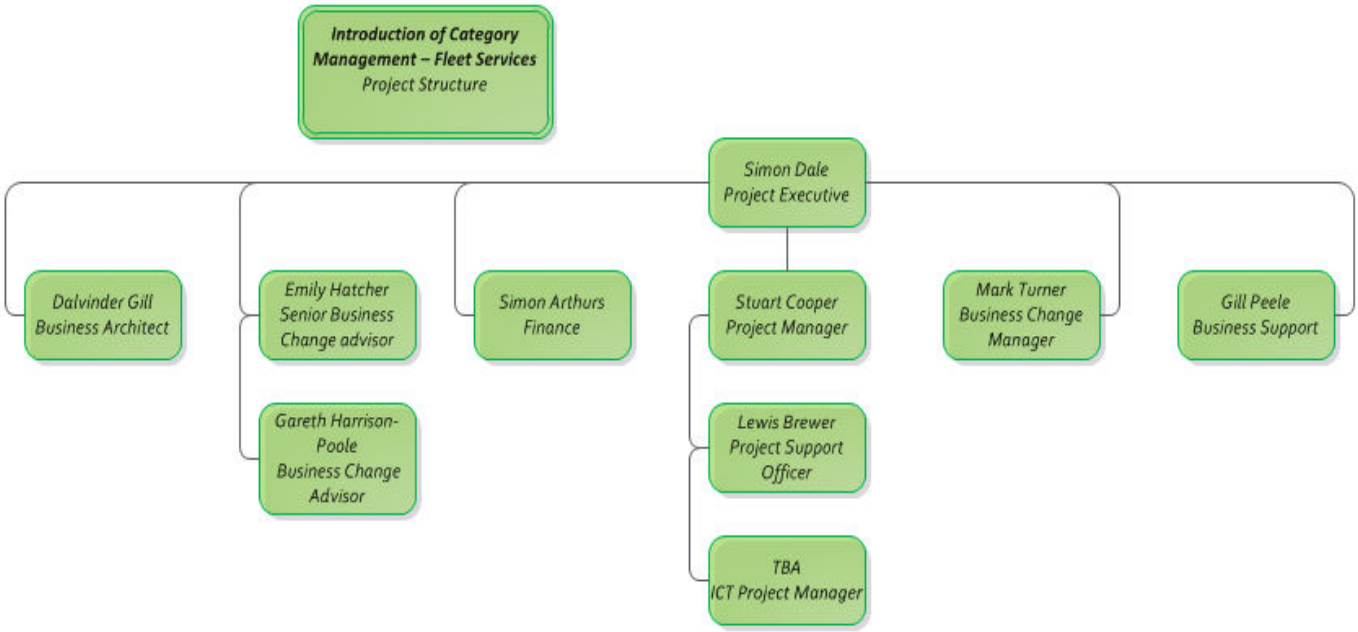
Partner Engagement

We propose to identify and actively engage with potential partners, following an in-depth review of the commercialisation workstream associated with this project. We have already worked with Cornwall Council to review their current FMIT system in order to inform our own procurement decisions and have been learning lessons from their experience.

Stakeholder Type	Stakeholder	Responsible	Accountable	Consulted	Informed
Partner	Plymouth Community Homes			X	X
	Plymouth University			X	X
	Marjons University			X	X
	Cornwall Council			X	X
	South Ham's & West Devon Council			X	X
	NHS			X	X

9.7 Framework and Methodologies

Project Framework



Programme Management Methodology

This project employs Prince 2 project management methodologies.

Other tools / methodologies / processes / standards / assurance

1. Plymouth City Council Transformation Portfolio Lifecycle has been developed to assure the safe delivery of the projects and programmes in the Transformation Portfolio.

2. Governance is applied across the Projects and Programmes in accordance with the Transformation Start-up pack and subsequent documentation found in the Portfolio Office. See S:\Transformation\Portfolio Office

3. All documents pertaining to the standards, processes, tools, methodologies and assurance to be applied to all Programmes and Projects in the Transformation Portfolio will be found in the Portfolio Office Folder as shown above.

All files for specific Programmes and Projects will be filed by Programme and Project. See S:\Transformation\Programme and Project Folders

10 Appendices

10.1 Key Messages for Stakeholders Grid

The grid below incorporates the key messages that this project will need to deliver and shows which type of stakeholder the message will apply to. As the project develops, the Communications and Engagement plan will be developed in more detail.

		Stakeholder Type			
	Key Message	**Public / Community**	**Staff**	**Members**	**Partners**
1	A more efficient service to be provided as a result of better asset management within the Council	X	X	X	
2	A greener and more sustainable service through the cost-effective procurement of newer, more efficient vehicles and the better utilisation of those vehicles	X	X	X	X
3	Savings generated will contribute to the Councils budget shortfall from central government		X	X	
4	Working co-operatively with key members of street services staff to ensure co-designed product		X	X	
5	The main driver for this project is the severe under-utilisation of current assets within the Council's fleet, which needs to be addressed immediately to reduce excessive and unnecessary spending.		X	X	

6	The current service vehicles are unnecessarily costing the Council large sums of money, therefore an increase in efficiency is required		X	X	X
7	This provides the opportunity to improve the quality of vehicles used within our fleet, making them much for efficient and environmentally friendly.	X	X	X	X
8	These changes will impact on current working practices that are in place		X	X	
9	Staff will be provided with the opportunity to feed into the development of the changes, to deliver a co-designed and co-operatively agreed method of working		X	X	
10	Staff will be provided with support and training and development opportunities to help transition with the change to service		X	X	
11	Through the installation of vehicle tracking, the Council can monitor driver behaviours and locations to provide improve efficiencies, as well as security for staff that have false allegations against e.g. accidental damage to cars.		X	X	

10.2 Equality Impact Assessment

STAGE 1: What is being assessed and by whom?	
What is being assessed - including a brief description of aims and objectives?	The Introduction of Category Management – Fleet Services Project contributes to Plymouth's 'Brilliant Co-operative Council's agenda, driving forward provision to create a clean and vibrant environment for residents and supporting the City in its growth. It is structured through three workstreams: - Commercialisation - ICT - Finance The project aims to create a much more efficient Fleet and Garage service, and review the current procurement and management policies surrounding the Council's vehicles. A core element on this project is to procure and implement a Fleet Management IT (FMIT) system that can review current and future utilisations of all Council-owned vehicles, to ensure optimum value for money is achieved through efficiencies and opportunities. This project will also look at how the budgeting and procurement of fleet vehicles currently lies, and will seek methods of producing efficiencies through the centralisation of budget to ensure unnecessary expenditure is eliminated.
Responsible Officer	Anthony Payne
Department and Service	Fleet and Garage Services
Date of Assessment	01/08/2014

STAGE 2: Evidence and Impact				
Protected Characteristics (Equality Act)	**Evidence and information (e.g. data and feedback)**	**Any adverse impact?**	**Actions**	**Timescale and who is responsible?**
Age	Age does not represent a	**No**	Positive steps will be taken throughout	N/A

STAGE 2: Evidence and Impact				
Protected Characteristics (Equality Act)	**Evidence and information (e.g. data and feedback)**	**Any adverse impact?**	**Actions**	**Timescale and who is responsible?**
	significant issue in the delivery of this project		involving service users, partner agencies and Members	
Disability	Disability does not represent a significant issue in the delivery of this project however will need to be cognisant of this in the review of passenger transport	**No**	Positive steps will be taken throughout involving service users, partner agencies and Members to identify and address disability issues	N/A
Faith, Religion or Belief	As of 2011 Plymouth's breakdown in relation to religion was: No faith: 30% Hindu, Buddhist and Jewish combined less than 1%. Christian 68% Muslim/Islam 1.7%	**No** Transport will support people irrespective of their faith, religion or belief.	N/A	N/A
Gender - including marriage, pregnancy and maternity	Age does not represent a significant issue in the delivery of this project	No	Positive steps will be taken throughout involving service users, partner agencies and Members	N/A
Gender Reassignment	Gender Reassignment	No	Positive steps will be	N/A

STAGE 2: Evidence and Impact				
Protected Characteristics (Equality Act)	**Evidence and information (e.g. data and feedback)**	**Any adverse impact?**	**Actions**	**Timescale and who is responsible?**
	does not represent a significant issue in the delivery of this project		taken throughout involving service users, partner agencies and Members	
Race	Race does not represent a significant issue in the delivery of this project	No	Positive steps will be taken throughout involving service users, partner agencies and Members	N/A
Sexual Orientation -including Civil Partnership	Sexual Orientation does not represent a significant issue in the delivery of this project	No	Positive steps will be taken throughout involving service users, partner agencies and Members	N/A
Socio-economic status	Socio-economic status does not represent a significant issue in the delivery of this project however will need to be cognisant of this in the review of passenger transport	No	Positive steps will be taken throughout involving service users, partner agencies and Members to identify and address economic issues	N/A

STAGE 3: Are there any implications for the following? If so, please record 'Actions' to be taken		
Local Priorities	**Implications**	**Timescale and who is responsible?**
Reduce the inequality gap, particularly in health between communities.	ICMFS has no negative impact on the inequality gap between different communities.	N/A
Good relations between different communities (community cohesion).	ICMFS has no negative impact on the relations between different communities.	N/A
Human Rights	There are no implications for Human Rights. The service will remain universal, ensuring that all users receive equitable and effective provision.	N/A

STAGE 4: Publication			
Director, Assistant Director/Head of Service approving EIA.	Simon Dale	Date	08/08/14