

INVEST TO SAVE SCHEMES

Submitted by: Executive Director (Resources and Support Services)

Portfolio: Finance and Resources

Wards Affected: All

Purpose of the Report

To select and approve projects from the initial bids for detailed business cases to be built up for Invest to Save Schemes to be funded by the Budget Support Fund.

Recommendations

- 1. That the Panel identify the schemes they wish to take forward for further evaluation at the meeting on 21 November.**
- 2. That the Panel approve those schemes they wish to support with funding from the Budget Support Fund at the meeting on 28 November.**

Reasons

The Council has approved the use of funds drawn from the Council's Budget Support Fund to deliver "invest to save" projects. The mechanism for approving schemes is via recommendations made by the Cabinet Panel.

1. Background

- 1.1 In setting its budget for 2013/14, the Council at its meeting on 27 February 2013 approved the use of funds drawn from the Council's Budget Support Fund to deliver "invest to save" schemes which will incur short term revenue expenditure in order to deliver longer term financial efficiency savings.
- 1.2 During the budget challenge process a number of "invest to save" proposals were identified which although requiring some expenditure to be incurred in the first instance could be capable of producing savings in future years. It is proposed that viable schemes could be financed from the Budget Support Fund with the fund being "repaid" out of the revenue budget as resulting savings arise. Once the fund has been repaid the full amount it originally financed in respect of a particular proposal, the savings will be retained within the revenue budget, thereby providing an on-going benefit.
- 1.3 At their meeting on 6 March 2013, the Cabinet agreed to set up a Revenue Investment and Budget Support Cabinet Panel as a responsive, efficient and accountable mechanism for considering "invest to save" proposals for funding from the Budget Support Fund. The full resolutions approved by the Cabinet were:
 - i.) That a Revenue Investment and Budget Support Cabinet Panel be established with a membership of seven appointed on the basis of political proportionality (Labour 4; Conservative 2; Liberal Democrat 1);*
 - ii.) That the portfolio holder for Finance and Budget Management be appointed*

to chair the panel;

- iii.) That the group leaders be requested to make nominations for membership of the panel from their respective groups in accordance with (1) above; and*
- iv.) That the Panel make recommendations to Cabinet in respect of proposed expenditure.*

1.4 In respect of resolution iv) above, the Cabinet at its meeting on 17 July 2013 made the following resolutions:

- i.) That the intention to put in place arrangements for the portfolio holder for Finance and Resources to make decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding “Invest to Save” schemes, in response to recommendations of the cross-party Revenue Investment and Budget Support Cabinet panel, be noted; and*
- ii.) That it be noted that Part 3 of the council’s constitution (Scheme of Delegation) will be amended to show the inclusion of this responsibility in the list of responsibilities for the exercise of Cabinet functions.*

2. Details of Bids

2.1 Bids were requested from Heads of Service for “invest to save” schemes to be funded from the Budget Support Fund. A total of 14 bids have been received. These are detailed in the attached Appendix and are summarised in the table below:

| Scheme No. | Title of Scheme | Amount Requested (£) |
|-------------------|--|-----------------------------|
| 1 | Economic Development (Commercial Portfolio) | 37,000 |
| 2 | Astro Turf Fence | 52,635 |
| 3 | Telephony and Wide Area Network Investment (see paragraph 3.1 below) | 25,000 |
| 4 | Expansion of Intelligent Queue Telephony | 17,000 |
| 5 | Digital Member Services | 40,800 |
| 6 | Transactional Web and Internet | 40,000 |
| 7 | Weed Control Contract / Equipment for Mechanical Sweepers | 36,600 |
| 8 | Business Development Support | 10,000 |
| 9 | Mayoral Vehicle (see paragraph 3.2 below) | 9,984 |
| 10 | Spinning Bikes | 16,575 |
| 11 | Learn 2 | 12,892 |
| 12 | Join at Home | 10,892 |
| 13 | Carbon Management Plan – Various Schemes | Various |
| 14 | Jubilee 2 – Energy Review | 9,000 |

3. **Proposals**

- 3.1 Due to contractual time constraints two decisions have already been taken in respect of the above schemes. Firstly, in respect of scheme number 3 – Telephony and Wide Area Network Investment – the Cabinet at its meeting on 6 March 2013 approved as part of the “Telecoms Contract Consolidation” report a sum of £24,956 in 2013/14 to finance the implementation and refresh of network equipment at the authority’s sites. Savings of £20,000 per annum will be made.
- 3.2 Secondly, in respect of scheme number 9 – Mayoral Vehicle – the current lease has now expired and the vehicle purchased following consultation with the portfolio holder for Finance and Resources. The purchase price was £16,704 and savings of £8,220 will be made per annum from 2014/15 onwards. The amount required from the Budget Support Fund is £9,984 as detailed in the appendix.
- 3.3 The above two decisions were endorsed by the Panel at its meeting on 27 June 2013 when the Panel also agreed funding of £5,000 for an initial pilot scheme in respect of scheme number 5 – Digital Member Services.
- 3.4 In respect of the other 11 bids the Panel are requested to select those they would like further detailed information on. This could either be via a presentation by the relevant Head of Service or via a more detailed business case being submitted.
- 3.5 Members are requested to undertake the selection of bids at the meeting on 21 November and then to receive the presentations and further information on 28 November.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 4.1 The funding of key policy priorities will contribute to all the council’s priorities as set out in the Council Plan;
- A clean, safe and sustainable Borough.
 - A Borough of opportunity.
 - A healthy and active community.
 - Becoming a co-operative council which delivers high quality, community-driven services.

5. **Legal and Statutory Implications**

- 5.1 The Local Government Act 2000 and the Constitution empowers the Executive to make these arrangements.

6. **Equality Impact Assessment**

- 6.1 There are no differential impacts in this report.

7. **Financial and Resource Implications**

- 7.1 Full council on 27 February 2013 approved the use of funds drawn from the Council’s Budget Support Fund to deliver “invest to save” schemes. The balance that will be available in the Budget Support Fund is estimated to be around

£400,000. The fund should therefore be able to sustain financing a reasonable number of schemes.

8. **Major Risks**

- 8.1 A full risk assessment in respect of the council's budget for 2013/14 was included as part of the budget report to full council on 27 February 2013.
- 8.2 Individual risk assessments will be produced for schemes that are approved as part of the process.

9. **Earlier Cabinet / Committee Resolutions**

- 9.1 Council 27 February 2013 – Revenue and Capital Budgets and Council Tax 2013/14
Cabinet 6 March 2013 – Establishment of Cabinet Panel
Cabinet 17 July 2013 – Revenue Investment and Budget Support Cabinet Panel

10. **List of Appendices**

Appendix – Details of Invest to Save Bids 2013/14

11. **Background Papers**

Details of Invest to Save Bids 2013/14