
Report to Scrutiny Committee

Date of Meeting: 20 October 2011

Subject: Budget Strategy - Invest to Save Fund

Report by: Director of Finance & Corporate Services

1.0 Purpose

- 1.1. On 12 August 2010, as part of the Budget Strategy, the Council approved the principle of an Invest to Save Fund of up to £1M to be resourced from reserves. Detailed criteria for its operation were approved by Council on 23 September 2010.
- 1.2. This report informs Scrutiny Committee of progress made to date.

2.0 Recommendations

- 2.1. It is recommended that Scrutiny Committee note and comment on:
 - 2.1.1. Invest to Save applications approved to date;
 - 2.1.2. proposal to seek Council approval for the policy change required to implement the Council Tax Discounts Regulations;
 - 2.1.3. arrangements for reporting future approved applications; and
 - 2.1.4. implementation monitoring arrangements.

3.0 Considerations

- 3.1. Invest to Save applications are required to contain relevant information under a number of headings. An application template has been designed to ensure that applicants provide sufficient information to allow the Corporate Management Team to make informed decisions.
- 3.2. The first detailed applications have been approved recently, details of which are outlined in Table 1.
- 3.3. In overview, these are:
 - 3.3.1. Council Tax Discounts - this cross service project aims to implement The Council Tax (Discounts for Unoccupied Dwellings) (Scotland)

Regulations 1995. This allows the Council to reduce certain Council Tax discounts from 50% to 10% with effect from April 2012 to generate additional income for Housing Service to utilise for affordable Housing under the guidance issued by Scottish Government. As well as additional income, the approach is designed to get owners of dwellings which are deemed as long term empties and unoccupied back into use to alleviate the shortage of all types of housing within Clackmannanshire. This represents a change in current Council policy. A report is being prepared for submission to Council seeking approval for this. The proposal will not be progressed until Council approval is obtained.

- 3.3.2. Corporate Arrears Recovery System - procurement of a Corporate Arrears Recovery System (CARS). This is used presently by nine other Scottish Local Authorities who have a corporate recovery approach and team in place. The system draws the customer information for the individual back office systems (e.g. rents, Council Tax, Non Domestic Rates and debtors) and creates a common debtors platform. This will improve the customer service delivered by the corporate recovery team, particularly in face to face or telephone engagement. It will also automate some processes which are currently manual thereby improving efficiencies. Finally, it will introduce a Direct Debit module which will improve the (currently manual) direct debit process for Sundry Debtors, thereby improving collection levels
- 3.3.3. Development of a Corporate Intranet - at present staff have to access various electronic portals to find information to enable them to do their job. There is no one easy to use portal where staff can find out up to date information including things such as policies and procedures, news and general communications. The development of a modern staff intranet will pull all these key sources of knowledge and information into one portal, thereby improving organisational communication, efficiency and customer service. Furthermore, it will enable printing and production costs of staff newsletter and other publications to be reduced.
- 3.3.4. Upper Mill Street, Tillicoultry - conversion of a property at Upper Mill Street from women's aid property with multiple bedrooms to a 3 person resource for people with autism, which would include carer accommodation. Clients are typically hard to place, with once case costing in the region of £4000 per week. These clients needs have been identified by Community Care Assessment and long term solutions are sought. The development of this service could reduce current costs by about 50%.

INVEST TO SAVE MONITORING

Service	Project Name	Investment £000		Estimated Net Savings/Income £000			
		2011/12	2012/13	2012/13	2013/14	2014/15	2015/16
Support Services	Council Tax Discounts	7.3	0	82	82	82	0
Support Services	Corporate Arrears Recovery	50	0	69	95	95	95
Strategy & Customer Services	Intranet Development	14	0	5	10	10	0
Social Services	Upper Mill Street, Tillicoultry	150	0	185	185	185	0
	Totals	221.3	0	341	372	372	95

Table 1 - Summary of approved Invest to Save Applications

- 3.4. In addition to those in Table 1, a further number of applications are in the process of being developed by service managers. Once these have been approved by service accountants and Governance advisers, they will be brought forward to the Corporate Management Team for decision.
- 3.5. As approved by Council, the Corporate Management Team should assess applications against the following basic criteria:
 - How the initiative impacts on the Council's business transformation goals.
 - The size of the advance required and the amount of cashable efficiencies that will be delivered by the initiative.
 - The completeness and robustness of the financial information used in the proposal.
 - Whether the projections in the initiative can be realistically achieved in the timescales indicated in the proposal.
 - The time taken for the initiative to re-pay the Invest to Save advance and whether this is reasonable with respect to the nature of the initiative. In most cases the Corporate Management Team will expect a return over a 2 year period in line with the approved Budget Strategy.
- 3.6. The Corporate Management Team may agree if a proposal should either be approved, deferred for further information or rejected. Where appropriate, decisions will be referred to Council for approval.
- 3.7. Once approved, relevant directors are responsible for ensuring that projects are managed so that milestone targets identified in the proposal are met. In addition, Finance & Corporate Services will maintain a central register with a view to systematically monitoring overall progress, including the realisation of savings/income.
- 3.8. As approved by Council, successful Invest to Save applications should be reported to Scrutiny Committee. To that end, from this point forward, quarterly reports will be prepared for Scrutiny Committee by Finance & Corporate Services, providing an update on approved applications, implementation progress and benefits realisation.

4.0 Sustainability Implications

- 4.1. Sustainability is an inherent component of the Invest to Save approach.

5.0 Resource Implications

5.1. Financial Details

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes ☒

5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes ☒

5.4. Staffing - no direct implications.

6.0 Exempt Reports

6.1. Is this report exempt? Yes ☐ (please detail the reasons for exemption below) No ☒

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities 2008 - 2011** (Please double click on the check box ☒)

The area has a positive image and attracts people and businesses	<input type="checkbox"/>
Our communities are more cohesive and inclusive	<input checked="" type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input type="checkbox"/>
Our communities are safer	<input type="checkbox"/>
Vulnerable people and families are supported	<input checked="" type="checkbox"/>
Substance misuse and its effects are reduced	<input type="checkbox"/>
Health is improving and health inequalities are reducing	<input checked="" type="checkbox"/>
The environment is protected and enhanced for all	<input type="checkbox"/>
The Council is effective, efficient and recognised for excellence	<input checked="" type="checkbox"/>

(2) **Council Policies** (Please detail)

This paper supports the principles approved by Council in the Budget Strategy, August 2010

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes ☐ No ☒ - although EQIA have been done for individual applications.

9.0 Legality

- 9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☒

10.0 Appendices

- 10.1 Please list any appendices attached to this report. If there are no appendices, please state "none". **None.**

11.0 Background Papers

- 11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes ☒ (please list the documents below) No ☐

Budget Strategy, Clackmannanshire Council, 12 August 2010

Budget Strategy - Invest to Save Fund, 23 September 2010

Invest to Save Applications

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Stuart Crickmar	Strategy & Performance Manager	2127

Approved by

NAME	DESIGNATION	SIGNATURE
Nikki Bridle	Director of Finance & Corporate Services	
Elaine McPherson	Chief Executive	

