

# **Project Outline Business Cases**

## **Round 2 Bidding Process**

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## Project 1

- Project Name:** Shared ICT Provision for Derbyshire, Leicestershire and Nottinghamshire Fire and Rescue Services
- Project Sponsor:** Nottinghamshire Fire and Rescue Service
- Authorities Involved:** Derbyshire and City of Derby Combined Fire Authority  
Leicester, Leicestershire and Rutland Combined Fire Authority  
Nottinghamshire and City of Nottingham Combined Fire Authority

### 1. Project Description

- 1.1 A Gateway 1 report on a project to amalgamate the ICT functions of Derbyshire, Leicestershire and Nottinghamshire into a single provision has identified significant opportunities to remove duplications and realise procurement, process and work-style efficiencies.
- 1.2 Improved capacity and resilience amongst a single team culture within a single management structure will offer progression and development opportunities for staff.
- 1.3 The single ICT infrastructure which will serve the three Fire and Rescue Services will realise considerable efficiencies with reduced staffing costs, and non-cashable efficiencies through improvements in capability, raising skills, enabling business process improvement and integration, improving resilience and improving quality of service.

### 2. Outline Benefits

- 2.1 The outline financial business case is attached at Appendix A.
- 2.2 In addition to the financial benefits, the ICT project will break ground into providing a new inter-Service governance approach, beyond which wider opportunities would exist for further collaboration and integration.
- 2.3 Good practice and success from this area already evidenced are:
- The procurement of a single finance system.
  - Recruitment and development of staff.
  - Sharing and implementing good practice with other Fire and Rescue Services and Local Authority councils.

### 3. Outcomes, Milestones and Spend Profile

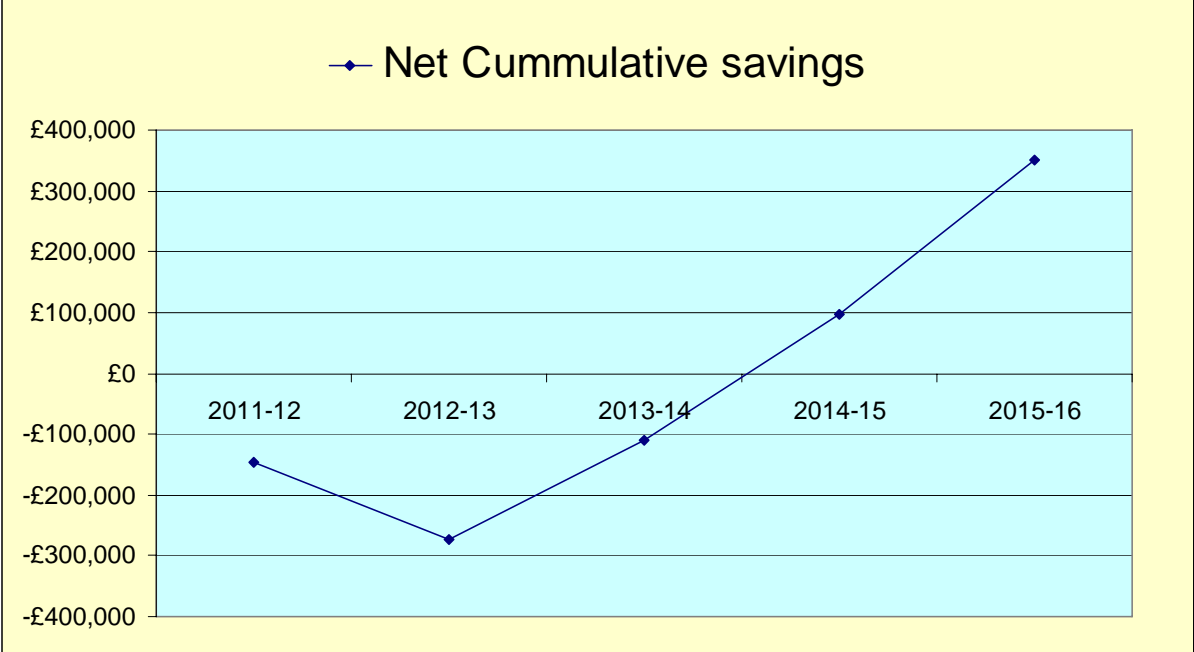
<b>Outcome</b>	<b>Milestone</b>	<b>Completion Date</b>	<b>Funding Profile</b>
Stage 1&2	Design, approval and initiation of transition	March 2012	£75k
Stage 3&4	Main transition and transition maturity	March 2013	£75k
<b>TOTAL</b>			<b>£150k</b>

The funding will assist the partners with some of the upfront costs in delivering the project.

## APPENDIX A

### OUTLINE FINANCIAL BUSINESS CASE – JOINT ICT PROVISION

	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Additional costs</b>					
Transition manager	67,500	67,500			
Capital costs	50,000	50,000			
Other revenue expenditure	75,000	75,000			
Salaries equalisation & team leader creation	33,000	33,000	33,000	20,000	20,000
Cost of support in kind from HR & Finance	10,000	10,000			
Reorganisation / redundancy costs		30,000			
Transport costs	10,000	10,000	10,000	10,000	10,000
Additional costs each year	245,500	275,500	43,000	30,000	30,000
<b>Cumulative additional costs</b>	<b>245,500</b>	<b>521,000</b>	<b>564,000</b>	<b>594,000</b>	<b>624,000</b>
<b>Savings</b>					
Reduce by 1 X head of ICT	67,500	67,500	67,500	67,500	67,500
Reduce headcount through retirements, removal of vacant posts etc.	31,000	31,000	31,000	60,500	107,500
Estimated out of hours			5,000	5,000	5,000
De-duplication / better purchasing (approx 3% of controllable, non-salaries costs)		51,500	103,000	103,000	103,000
Savings each year	98,500	150,000	206,500	236,000	283,000
<b>Cumulative savings</b>	<b>98,500</b>	<b>248,500</b>	<b>455,000</b>	<b>691,000</b>	<b>974,000</b>
Net saving (- = additional) each year	-147,000	-125,500	163,500	206,000	253,000
<b>Net Cumulative savings</b>	<b>-147,000</b>	<b>-272,500</b>	<b>-109,000</b>	<b>97,000</b>	<b>350,000</b>
	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>Annual cost for separate provisions</b>	<b>4,796,909</b>	<b>4,796,909</b>	<b>4,796,909</b>	<b>4,796,909</b>	<b>4,796,909</b>
<b>Annual cost for joint provision</b>	<b>4,943,909</b>	<b>4,922,409</b>	<b>4,633,409</b>	<b>4,590,909</b>	<b>4,543,909</b>
<b>Cost saving per annum</b>	<b>-147,000</b>	<b>-125,500</b>	<b>163,500</b>	<b>206,000</b>	<b>253,000</b>
<b>Cumulative savings</b>	<b>-147,000</b>	<b>-272,500</b>	<b>-109,000</b>	<b>97,000</b>	<b>350,000</b>



## Project 2

<b>Project Name</b>	<p>Healthy Housing Hub - Working title</p> <p>A partnership project to maximise the integration of health, public health and housing services - targeting housing impacts on the health of the vulnerable in Derby</p>
<b>Project Sponsor</b>	Derby City Council and EM IEP
<b>Partner Authorities Involved</b>	<p>A partnership project to maximise the integration of services to support an improved and more efficient solution to local health and housing needs. It includes a broad spectrum of project partners – including:</p> <ul style="list-style-type: none"> <li>Derby City Council - DCC</li> <li>Primary Care Trust - PCT</li> <li>Emergency services</li> <li>Voluntary and charitable sectors</li> <li>Social enterprise sector</li> </ul> <p>Sign-up by specific key partners already includes:</p> <ul style="list-style-type: none"> <li>Director of Public Health – PCT &amp; DCC</li> <li>First Contact Derby</li> <li>Age UK – Derby &amp; Derbyshire</li> <li>Derby Home Energy Advice Service</li> <li>Home Improvement Agency</li> <li>Disabled Facilities Team</li> <li>Handy-Person Scheme</li> <li>Housing Intelligence for the East Midlands – HI4EM</li> <li>DASH - Decent &amp; Safe Homes – East Midlands</li> <li>Renew Maintenance Ltd – a social enterprise combining experienced skills with apprenticeships</li> </ul> <p>Other specific DCC partners:</p> <ul style="list-style-type: none"> <li>Adult’s Health and Social Services</li> <li>Children &amp; Young People’s Services</li> <li>Derby Advice</li> <li>Housing Options Centre</li> <li>Private Sector Housing team...and others</li> </ul> <p>The partnership with Age UK Derby &amp; Derbyshire allows for future years working to share the project model across Derby Housing Market Area partner local authorities.</p>

The following information demonstrates that the project proposal has a proven track record, operates in varying forms across considerably more than 5 Local Authority areas, has the potential to replicate across other areas and to replicate across a very broad range of project partners.

Mietool calculation indicates break-even within 2 years and ROI in excess of 10:1

## **Project Summary**

In developing this project, we recognise that people are able to enjoy a better home environment, enhanced quality of life, improved health and general well-being when they are warm, safe and secure in their own home.

Within a warm, safe and secure environment they are at significantly reduced risk of accident and housing-related poor health.

Fewer accidents and better health result in significant benefits for the client and for the NHS, but also for the local authority and its partner agencies.

Applying the principles of 'Total Place', this project will maximise the integration of services across a broad spectrum of project partners and, through efficiencies, will build capacity to support an improved and more efficient solution to local health and housing needs.

As the Audit Commission concluded in its 'Building better lives' report (9/09):

*"...housing is critical to public health, economic development, educational achievement and community cohesion.*

*Homelessness and poor housing blight the lives of people who experience them, create social problems for the wider community and impact on public health and lifetime development...is a prime influence on their quality of life, their life expectancy and the opportunities available to them..."*

## Brief project description

The project will enhance capacity at the local level to deliver local solutions to local health and housing issues – particularly in relation to falls prevention, winter illness/deaths and the clients' ability to live a safe, warm & independent life in their own home. It will:

- Target, better enable and encourage householders who are vulnerable and in greatest need of assistance to obtain maximum help, information and advice, co-ordinated to meet their individual needs – particularly in relation to housing impacts on health
- Specifically integrate, target and deliver increased take-up of health, housing, home safety, benefits entitlement, affordable warmth/fuel poverty, home maintenance, security and 'staying put' initiatives for the vulnerable
- Establish new and strengthen existing frameworks for improved communications across a number of organisations, strengthening signposting and referral mechanisms, raising awareness, promoting collaboration, sharing of information, preventing agencies from duplicating work and more efficiently targeting resources
- Utilise and provide added value to the existing First Contact infrastructure and support this through a 'healthy housing hub' to facilitate the referral of clients quickly, simply and efficiently. It is this single point of contact, via First Contact, that makes for simple, effective and efficient referral, encouraging participation in the scheme, improving quality and saving time
- Train and develop home visitors, community-based and other staff and volunteers working across a range of housing-related health, social care and other services including, for example, benefits advisers, social services assessment staff, housing standards officers, home care workers, community and district nursing staff, occupational therapists, physiotherapists, nutritional dieticians, handy-men staff, hospital discharge staff and others
- Target resources intelligently via:
  - Primary Care Trust
  - Adult's Health and Social Services
  - Children's and Young People's Services
  - First Contact Derby
  - Benefits service
  - Derby Advice
  - Housing Options Centre
  - HI4EM – Housing Intelligence for the East Midlands
  - Derby Home Energy Advice Service
  - Age UK
  - and others

- Target resources at:

- The most vulnerable at-risk people: Older people  
Disabled people  
Pre-school children
- Area based – areas of private sector deprivation

Further supporting project information is included at Appendix 2. *(not included in this document)*

## Summary project benefits:

The project will deliver:

- Enhanced capacity at the local level to deliver local solutions to local health and housing issues – particularly in relation to falls prevention, winter illness/deaths and the clients' ability to live a safe, warm and independent life in their own home
- More efficient targeting, improved performance and enhanced productivity across a range of local authority interventions and disciplines, linking strongly with the established First Contact referrals hub, improving quality of referrals, saving staff time and increasing capacity and quality of service delivery
- Added value, harnessing the large resource of home visitors, community-based and other staff and volunteers already working in the health, housing and social care professions, as well as tapping into much wider resources, such as high street pharmacists
- Very high quality referrals generated in a highly cost efficient way as they take place within the normal activity span of the health, housing, social care or other referrer's day-to-day work
- Quick and effective signposting, maximising access to services, helping navigation, promoting entitlement, safety & independence
- Increase and maximise the take-up of energy efficiency and fuel poverty initiatives, handy-person service, minor works assistance, falls and other home accident interventions, delivery of appropriate benefits and support services amongst Derby's vulnerable groups
- Facilitate the injection of additional investment into the local economy and local housing stock via the Green Deal, CESP and other energy efficiency/fuel poverty initiatives such as those offered by energy providers and others
- Reduction in local authority demand and costs associated with hospital discharge and ongoing social care and residential care
- Savings to client group on energy spend. In addition to savings from better insulated homes and more efficient forms of heating, the AWARM project (see page 12 for more detail) identifies expected household bill savings, over the lifetime of the household, of over £2 million
- Reduction in lost work days and associated productivity losses
- Reduction in sickness benefit and unemployment benefit payments
- Increased customer and staff satisfaction and reduction in complaints

- Fewer accidents and reduced ill health
- Increased capacity for the client group to live independently in their own home or return home from hospital or residential care
- Improved client dignity, independence, health. social inclusion and enhanced quality of life
- Partnership with Age UK Derby & Derbyshire allows for future years working to share the project model across Derby Housing Market Area partner local authorities
- Potential for significant added value and national 'best practice' attention if Derby City Council and partners are successful in bidding to further develop this work area via the Technology Strategy Board's DALLAS (Demonstrators of Assisted Living Lifestyles at Scale) programme. That bid is to fund a programme specifically designed to help independent living at home while reducing associated care costs for the local authority by installation of 'state of the art' assisted living new technology. If successful, this project would be well placed to help inform detailed development and delivery of that programme

Greater detail on project benefits is included at Appendix 1 and further supporting project information included at Appendix 2. *(not included in this document)*

## **Mietool analysis**

According to the OECD, Organisation for Economic Cooperation and Development (see Appendix 2), Britain's projected bill for long-term care and support services – such as home help, adaptations to property, and residential accommodation (primarily local authority associated costs) – will almost double from 2.2% of GDP to 4.3% by 2050.

The financial impact on Derby City Council's Social Services of referrals to social care following admission to hospital equated to an average unit cost of £12,201 per year (see Appendix 4) across each of the 202 such clients in 2010. We have used this figure to calculate project ROI.

We have used a target figure of 400 referrals per annum, therefore 800 over the span of the funding bid to EM IEP (2 years).

It should be noted that those 400 referrals per annum will be highly effective referrals of targeted at risk, vulnerable clients referred by trained personnel.

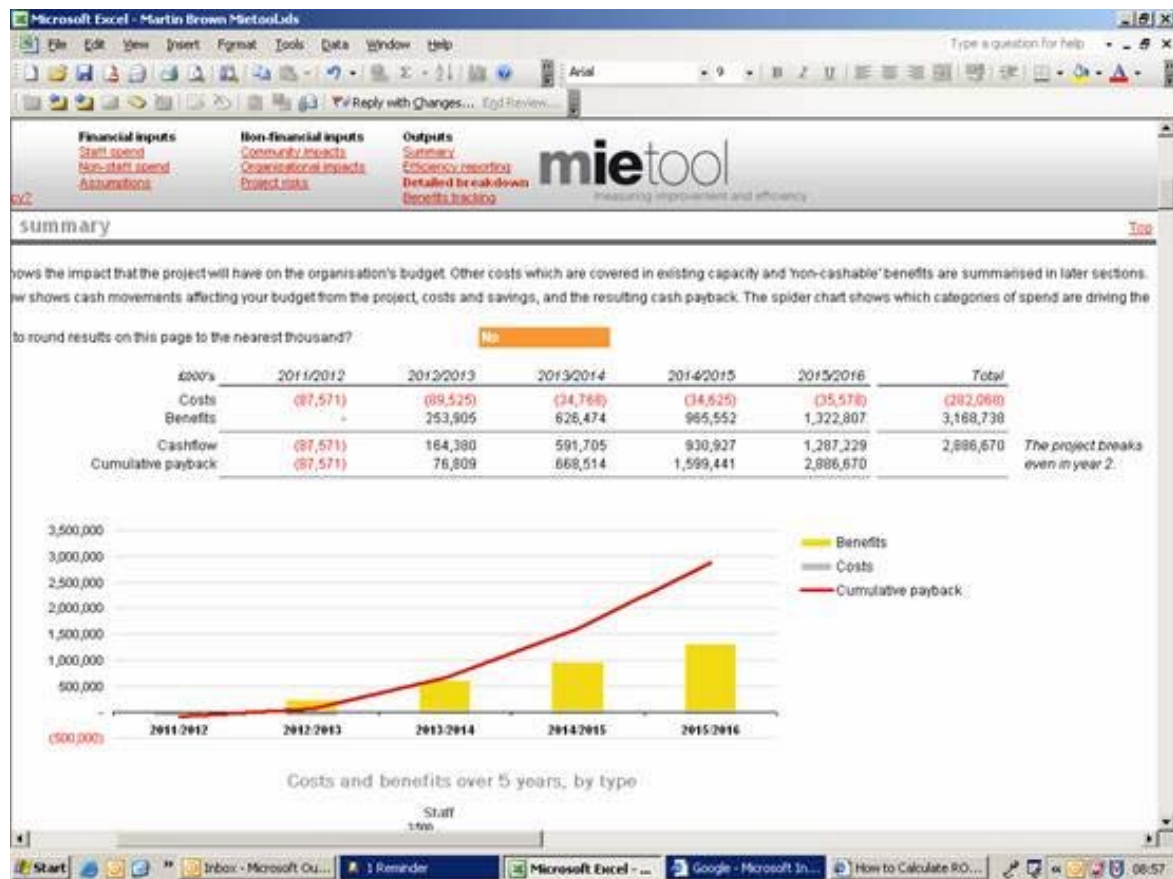
The referrals generated by the project are highly cost effective, taking place within the normal activity span of the health, housing, social care or other referrer's day-to-day work – saving time, increasing efficiency and capacity and improving customer service across the broad range of such local authority services.

The very quality of the referrals and the accuracy of targeting is one of the main strengths of the project and as such, it is considered conservative to assume that in relation to 6% of those referrals we can prevent, delay or lessen the seriousness of a fall, other home accident, stroke, incident of CVD or respiratory illness or the recurrence of same.

Such a 6% project impact across 400 referrals per annum offers a potential save of £292,800 in year one, £585,600 in year two, and so on.

The Mietool calculation shows a project break-even in 2 years and a ROI in excess of 10:1 after 5 years.

Mietool screen print:



Whilst it can sometimes be difficult to predict what would have happened if an intervention was not provided for a client, we are able to make other informed assumptions about pay-back periods, for example:

Using CLG's own "Handypersons Evaluation Interim key findings" (Report Feb 2011) figure of:

*"...postponing entry into residential care by a year saves on average £28,080 per person"*

If the funding bid to EM IEP of £290,000 is divided by that £28,080 figure, it equates to 10.3 cases.

Therefore, if the project were to postpone entry into residential care by a year in only 10 cases over 800 referrals (1.25%) the project will achieve break-even.

Given the very quality of the referrals and the accuracy of targeting the most vulnerable clients, this certainly does not appear an unrealistic expectation.

As stated previously, this project offers the potential to harness the large resource of staff and volunteers working across the broad range of housing, health and social care services. A significant proportion of such staff are directly employed by the local authority, such as social services work teams, screening and assessment teams,

home care workers, Derby Advice, housing standards officers, disabled facilities and minor works staff, handy-men and others.

If we assume that this project were to save only 15 minutes per person per week on average across 100 of these specialist staff, that equates to a potential increase in capacity of 25 hours per week.

Given that this project simplifies the referrals process, improves the quality of referral, improves targeting of resources at the vulnerable client group and aims to reduce the incidence and severity of housing-related illness and accidents, we consider this estimate conservative and would anticipate efficiency savings significantly beyond that figure.

The partnership with Age UK Derby & Derbyshire allows for future years working to share the project model across Derby Housing Market Area partner local authorities, sharing good practice, encouraging consistency and offering efficiency savings in set-up.

## Similar projects previously successfully implemented.

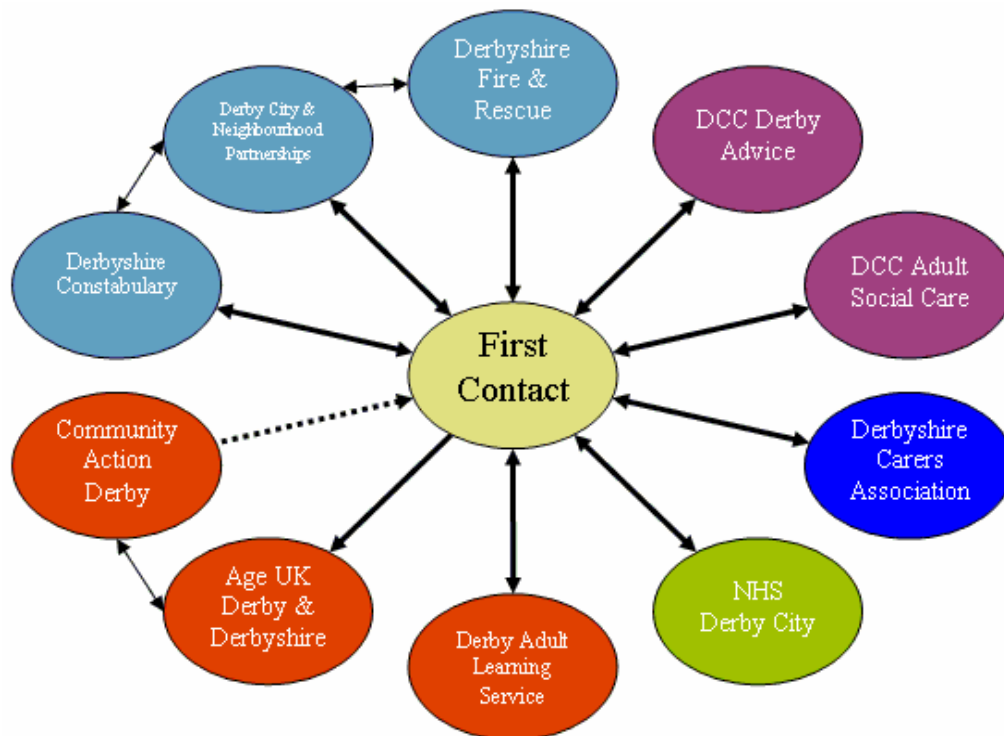
The following information demonstrates that the project proposal links with proven track records, operates in varying forms across considerably more than 5 Local Authority areas, has the potential to replicate across other areas and to replicate across a very broad range of project partners.

### 1 - First Contact Derby.

A successful Derby & Age UK service, enabling older people to access information and services through one single point of contact, in order to stay safe and independent.

There are a growing number of successful First Contact services nationally, for example: the Lincolnshire model involves 11 public sector and charitable bodies; the Leicestershire model involves county and all district councils, emergency services, voluntary groups and other organisations; the Derbyshire model, with which we propose to integrate closely, also incorporates all district councils.

It is the established and successful First Contact Derby infrastructure that we propose to utilise by creating a 'healthy housing hub' linking into the proven First Contact referrals 'wheel' as shown below:



The effectiveness and efficiency of the First Contact concept with the added value of a 'healthy housing hub' can perhaps be best demonstrated by a case study scenario which shows how contact with a vulnerable older adult via the referrals hub can result in a wide range of other services, for example:

- *Step 1*

A Fire Service Officer visits Mrs A to install a smoke alarm as part of a local fire prevention programme. Whilst in the home he notices it is cold, there is little security and little maintenance has been done inside and outside the home.

With permission he completes a First Contact checklist going through a sheet of questions with Mrs A. When the checklist is complete he has ticked 'yes' to several questions so he explains to Mrs A that other services will contact her over the next few weeks, she signs to agree and the Fire Officer gives Mrs A a First Contact bookmark with full contact details and details of the First Contact process. On return to the fire station he simply submits the checklist to the First Contact single point of contact.

- *Step 2*

On receipt of the checklist First Contact sends a personalised acknowledgement and refers on to the appropriate partner agencies as requested on the checklist.

- *Step 3*

Over the next few weeks Mrs A receives a visit from Derby Advice to do a benefits check. With help she claims attendance allowance, council tax benefit and additional pension credit.

Then a handy-man worker installs a handrail to the stairs, window locks and a door chain. He takes a booking for some ongoing maintenance and changes the landing light-bulb for a low-energy light sensor bulb.

With her new income Mrs A dares to turn the heating on, confident she can meet the fuel bill and also benefits from a referral made to our social enterprise partner, Renew Maintenance. Then a project worker calls to discuss fuel poverty and grants for insulation. While they talk they identify some local community activities Mrs A might enjoy, and help her arrange transport. They leave their number in case she needs information in the future.

- *Step 4*

After their intervention each agency reports on the work they have completed and raises any new referrals (sometimes after one helpful visit the client is more willing to admit other problems and ask for further help).

First Contact contacts Mrs A to make sure she was happy with all the services.

None of the services are new. None of the services are emergency support. But none of them might have happened until an emergency if it wasn't for the first officer recognising a potentially vulnerable older adult and completing the checklist.

Without this 'Total Place' approach Mrs A would still be poor, cold, vulnerable to crime, isolated and unaware of the services available to help her and a tragedy waiting to happen.

Partner agencies working with First Contact Derby include: Age UK Derby & Derbyshire, Anti-Social Behaviour Team (Derby City & Neighbourhood Partnerships), Adult Social Care (DCC), Crime Prevention (DC&NP) and the Post Burglary Team, Derby Advice (linking to Welfare Rights/Benefits/Debt Advice/Telecare-Care Link and others), Derby Adult Learning Service (DCC), Derbyshire Carers, Derbyshire Constabulary, Derbyshire Fire and Rescue Service, NHS Derby City (through PALS involving Community Nurses, Physiotherapists, Occupational Therapists, Fresh Start, Mental Health, hospital discharge teams, pharmacists).

Other schemes, such as the Leicestershire scheme, target a broader range of vulnerable people, starting from 18+.

## 2 – AWARM

Operating across all 10 Local Authorities in the Greater Manchester area, the project has demonstrated significant added value to the *First Contact* and *Warm & Well* (below) concepts by broadening the scope still further. It has established a simple and efficient referrals hub and has been particularly effective in training and harnessing the large resource of home visitors already working in the health, housing and social care professions. This model, along with First Contact, has significantly informed our project proposal.

## 3 - Warm and Well Derby.

A Derby area pilot project which has provided excellent learning opportunity and established much ground-work relevant to this project proposal, particularly with regard to contact networks and partner sign-up. Replicated and morphed elsewhere in the country, with other examples beginning to bring in added value, such as the Safe, Warm and Secure project across Hampshire authorities.

Service delivery benefits realised from those predecessor projects are detailed at Appendix 3. (*not included in this document*)

## Project funding

Confirmed DCC and PCT commitments 2011-13:

HIA – Handy-Person service	£120,000
HIA – Minor Works	£ 70,000
First Contact Derby	<u>£120,000</u>
Total	<u>£310,000</u>

- PCT commitment to encourage and facilitate project participation by specialist staff across a broad range of work areas e.g. community and district nursing staff, occupational therapists, physiotherapists, hospital discharge team and others
- DCC commitment to encourage and facilitate project participation by specialist staff across a broad range of work areas e.g. social services, home care workers, housing standards officers, disabled facilities and minor works staff, handy-men and others
- PCT and DCC commitment to release key specialist staff for training of trainers, and onward training
- PCT commitment to provide Public Health trainee support to assist in project development across PCT/NHS
- PCT and DCC commitment to jointly funded partnerships that feed into this project e.g. Falls Prevention Team, Anti-Social Behaviour Team and others

This staffing commitment has not been quantified financially due to the large number of people and the wide range of specialisms involved, but it is certainly very significant and project sign-up by the PCT's Director of Public Health and DCC's Director of Adult's Health and Housing is already secured as part of this bid submission.

DCC is submitting a joint bid to the Technology Strategy Board (TSB) as part of its DALLAS (Demonstrators of Assisted Living Lifestyles at Scale) programme to fund installation of 'state of the art' assisted living new technology in the homes of older vulnerable people. The programme is designed to help independent living at home while reducing associated care costs for the local authority. If the bid to TSB is successful, this project will help inform the detailed development and delivery of that programme which will, in turn, bring significant added value to this project and attract national 'best practice' attention.

## Funding gap sought from EM IEP 2011-13

As following table:

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>EM IEP funding payment profile</b>
Obtain signed Memorandum of Understanding from a minimum of 5 key project partners	July 2011	£10,000
Advertise for project posts	Sept 2011	
Appoint project manager and two x project worker posts on fixed term two year contracts	October 2011	£210,000
Project staff in post and trained	Nov/Dec 2011	£1,000
Establish 'healthy housing hub' feeding in to First Contact	Nov/Dec 2011	
Sign-off referral and signposting mechanisms	Nov/Dec 2011	
Launch Event	Nov/Dec 2011	£1,500
25 front line staff trainers trained	July 2012	£1,000
10 community volunteers trained	July 2012	£1,500
400 referrals processed direct from project partners – trigger for generating increased capacity within Home Improvement Agency (HIA), Handy-Person and Minor Works Assistance	Oct 2012	£65,000
<b>Total</b>		<b>£290,000</b>

<b>Project Name</b>	○ <b>Active Derbyshire</b>
<b>Project Sponsor</b>	○ <b>Derbyshire Sport (David Joy)</b>
<b>Partner Authorities Involved</b>	○ <b>Derbyshire County Council, Amber Valley Borough Council, Bolsover District Council, Chesterfield Borough Council, Derbyshire Dales District Council, Erewash Borough Council, High Peak Borough Council, North East Derbyshire District Council, South Derbyshire District Council, Community Sports Trust (Village Games Project), NHS Derbyshire County.</b>

## Project Description

### Aim of Project:

- This project will address a number of barriers that exist across the county which stop people participating in physical activity and sport. The aim of the project is to increase the number of adults (16+) in Derbyshire, from traditionally disengaged groups (women, disabled people, those on lower incomes, BME), taking part in regular sport and physical activity, by providing a range of targeted sport and physical activity interventions within local communities throughout Derbyshire. These groups generally have a lower take up of opportunities for physical activity and there is a need to increase the range and access to opportunities for these target audiences to engage.
- The project would follow on from the Active Derbyshire project started October 2010, to provide subsidised access to appropriate opportunities for disengaged/disadvantaged people. This project would therefore engage “new” participants as well as sustain existing participation in activity.

### Objectives and activities:

- This project will look to provide subsidised access to appropriate opportunities for disengaged/disadvantaged people. It will look to engage them in activity and encourage them to value this experience and to begin to pay the full cost within 6 months.
- Working with local authority Sports Development Officers across the 8 districts, and Village Games Officers, the project will continue to identify potential client groups of inactive adults in communities throughout the county of Derbyshire. The project will continue to work with these officers

to determine what activities may be of interest and where locally these could be provided.

- Targeted opportunities will be established to engage at least 5,330 “non engaged” adults, in regular sport and physical activity opportunities within their own communities and to retain at least 50% of this number for a minimum of 6 sessions each.
- All 8 districts previously engaged in the project are currently delivering a range of different activity sessions including; Aqua Jog, Aqua Circuits, Swim 4 Health, Table Tennis, Back to Netball, Back to Badminton, Back to Squash, Indoor Cricket, Zumba, Walk and Talk, Back to Fitness. A range of new targeted activities building on the success of these will be delivered through new funding if secured.
- Activities will be marketed through existing networks including Derbyshire Sport and Active Derbyshire websites, local authority websites, local media and other local opportunities in ways which are going to engage the target market for this project.
- Monitoring information will be gathered to illustrate take up and retention within the programme and to report the outcomes from individuals who take part in the interventions.
- Methods will be tested to encourage retention - text messaging encouragement, incentives and recognition etc
- Assessment will be made of the extent to which targeted and subsidised provision can be offered and adults can be encouraged to become paying participants through this managed programme.

#### **Evidence of Need:**

- Early evidence from the project started October 2010, indicate that the sessions have re-introduced adults back into a sport that they once participated in prior to family commitments, work commitments etc.
- The Active People Survey provides robust data for National Indicator 8 (the percentage of the adult population (16 years of age and over) in a local area who participate in sport and active recreation, at moderate intensity, for at least 30 minutes on at least 12 days out of the last 4 weeks (equivalent to 30 minutes on 3 or more days a week)). Whilst this indicator is no longer current, progress towards NI8 across the county was behind target. Progress has been made over the past 2 years, with participation rates rising from 21.4% to 23.5%. The 2010/11 target was 25.4% however figures for October 2009 to October 2010 show a decrease to 22.5%.

- The “One Million Sport” Indicator (Adult participation in 30 minutes of moderate intensity sport) has also decreased from 15.9% to 15.1% from the period October 2007/08 to October 2009/10.
- The percentage of disabled people in Derbyshire participating at required levels is significantly behind target (5.2% with the 2010/11 target being 10%) as is the percentage of participants from lower incomes (11.8% against a target of 16.6%).
- The Active People Survey 2010/11 results for Derbyshire show that only 8.5% of adults identified as having a limiting illness or disability participated in sport and active recreation (NI8). This is compared to 22.5% of adults who were not identified as such. The county of Derbyshire is also in the lowest quartile within the region. This is compared with the counties with the highest number of adults with a limiting illness or disability participating in sport and active recreation in England being Oxfordshire and Gloucestershire at 13.3%.
- Physical inactivity is 1 of the 10 leading causes of death in developing countries (WHO 2002). The World Health Report (2003) estimates that around 3% of disease burden, 20% of chronic heart disease and 10% of stroke in developed countries is caused by physical inactivity. Regular physical activity can positively contribute to the prevention and management of over 20 chronic disease and reduce the risk of heart attacks by 45%; of colorectal cancer by 40% to 50%; of breast cancer by 30%; and of Type 2 Diabetes by 33% to 50% (Valuing Health: Developing a Business Case for Health Improvement: Improvement and Development Agency, 2009). Obesity is the second most common preventable cause of death after smoking in Britain today. In 2006, 61.6% of all adults were either overweight or obese.
- The 2010 health profile for Derbyshire shows a prevalence of adult obesity in the county to be 24.9%. This is higher than the average for England which is 24.2% and much higher than the England best figure of 13.2%.
- The chronic diseases associated with physical inactivity contribute to sickness absence quite significantly: In 1998 over 18 million days of medically certified sickness absence is attributable to obesity (National Audit Office. 2001. Tackling Obesity in England. London: The Stationery Office. C. BHF Thinkfit!).
- Sport England report that one million more people playing sport each week would save £22.5bn in health and associated costs.
- **List the local authorities where this project has been previously successfully implemented.**
  - Amber Valley Borough Council
  - Bolsover District Council
  - Chesterfield Borough Council
  - Derbyshire Dales District Council

- Erewash Borough Council
  - High Peak Borough Council
  - North East Derbyshire District Council
  - South Derbyshire District Council
- **Summarise service delivery benefits that have been realised from previous implementation of this project or similar.**
    - The project has previously been implemented in all 8 districts across the County, promoting a range of similar activities. These include: Back to: Netball, Dance, Cricket, Badminton, Hockey, Gymnastics, Touch Rugby, Jogging, Zumba, Aqua Fitness and Squash.
    - Activities have been targeted at appropriate people within communities across Derbyshire.
    - Numbers attending are excellent and a large number of participants in each district are new to sport or returning to sport / activity. This has been the major success of the project and there have been large numbers attending some sessions.
      - There have been some headline successes in each district including in Erewash the “Return to Netball” and “Return to Basketball” sessions have averaged over 20 and 12 participants respectively. These are all new to sport / activity participants. Other successes came from engaging with a group of at risk individuals in partnership with the housing options team. While numbers were relatively low they were individuals who had not done any physical activity in years (5 years plus in some cases).
      - In North East Derbyshire there were 389 new participants in January and February. The key successes have been “Return to Netball” which has engaged 12 – 14 regular new participants and this session has now developed a sustainable club. The other main success has been 32 new participants engaged in Swim Fit sessions on a regular basis at Eckington Swimming Pool.
      - In South Derbyshire around 40 people per week are now taking part in a range of activities aimed at 50+ age group. These sessions encompass a range of activities including: swimming, badminton, table tennis, short mat bowls and body harmony.
      - “Back to Netball” has also been successful with over 20 new participants attending each week, and 1 league team has developed from this session who are now competing in the Derbyshire Yarder league. The badminton session on a Friday evening continues to develop with 20 to 25 people regularly attending the session now.
  - Due to its success across a range of activities in engaging new participants, work is now being done to help sustain the current activity.

- Additional funding is required to increase the range of activities and a future programme for new participants.
- Data is currently being collated in order to assess the full extent to which the targeted activity has succeeded in encouraging people to sustain their activity. Early indications as detailed above suggest that the project has been very successful.

### Outline Benefits

- This intervention is designed to increase activity levels in people who are currently sedentary. The costs/benefits of engaging isolated or sedentary and overweight people in physical activity have been proven by several research studies. A healthier and more active adult population has the potential to make savings to the NHS and reduce the incidence of heart disease, strokes, some cancers and type 2 diabetes. The benefits of exercise and social engagement through sport in improving mental health have also been previously evidenced.
- The Department of Health (2009) commissioned the British Heart Foundation Health Promotion Research Group at Oxford University to prepare estimates of the primary and secondary care costs attributable to physical inactivity for PCTs and strategic health authorities across England. The research found that the average healthcare cost of physical inactivity for each PCT is £5 million per year (Department of Health (2009). Be Active, Be Healthy: A Plan for getting the Nation Moving. HM Government). The same report details that the whole PCT cost of physical inactivity for Derbyshire County PCT was £12,211,420 and the total cost per 100,000 population was £1,775,848 pa. The average cost per person of physical inactivity was **£17.76 pa**. Based on these figures, with a project target of 5,330 participants the cost saving to NHS Derbyshire from encouraging an inactive person to become an active person would be £94,660.80.
- The target for this project is to engage 5,330 people in physical activity. The total cost of the project over 2 years is £73,000 resulting in a potential net cost saving of £21,660.80. The average cost per person engaged is £13.69 for this project which compares very favourably to the costs per participant of the LEAP projects detailed in the “other benefits” section below
- **ROI calculation**

The total cost for the project over 20 months is £73,000. Based on an averaged cost of £17.76 pa per person of physical inactivity, the cashable savings for the project are

2,130 people benefiting in year 1 = £37,828.80

3,200 people benefiting in year 2 = £56,832

Total over the 20 months of the project is £94,660.80.

ROI calculation: (Benefits – Costs / Costs)

£94,660.80 - £73,000 = £21,660.80

(£21,660.80 / £73,000) x 100 = 29.7%

- **Other Benefits**

- Sport is an efficient, as well as an effective use of investment due to its broad appeal, and the low cost of its delivery. Detailed market segmentation data is available for sport which means that investment can be carefully targeted. There are some groups for whom the benefits would be particularly significant, such as young mothers with lower incomes, whose participation levels are relatively low (35.3%) but where the desire to play sport is high (62.6%) (Sport England: Sport's role in improving the health of the nation; Sport England Active People Survey 4).
- Only considering costs of chronic diseases attributable to physical inactivity is an under-estimation of total cost impact. The economic costs of sickness absence and worklessness associated with working age ill health are over £100 billion per year – greater than the current annual budget for the entire NHS (Dame Carol Black (2008). Review of the health of Britain's working age population: Working for a healthier tomorrow. London: TSO).
- Evidence from the Local Exercise Action Pilots (LEAP) funded by the Department of Health found the following cost implications and effectiveness evidence for the physical activity programmes that were included in the pilot.
  - Based on outcomes of increased activity levels the cost per participant who increased activity as a result of the programme was £260 - £2,790.
  - The future savings to the NHS of participants involved in the programme were determined to be £770 to £4,900 per participant.
  - The cost per extra year of quality life (QALY) for participants was determined as £50 - £510 compared to £30,000 NiCE (National Institute for Health and Clinical Excellence max threshold).
  - NICE normally assumes that if an intervention (including a new drug) costs less than £30,000 per QALY, it is deemed to be cost-effective.
- The project encourages local authorities to consult with individuals about the activities they would like to be involved in and to develop programming which is customer focussed and locally provided.
- The project creates the potential for new paying participants to make use of opportunities within public, private or voluntary sectors in the future.

- **Payback period**

With cashable savings over the two years of the project of approximately £94,660.80 and total costs of £73,000 over two years, the payback period is within two years.

### 1. Outcome milestones and spend Profile

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Continue to engage with 8 Districts across Derbyshire to agree deliverables and reporting requirements	31 <sup>st</sup> August 2011	£1,000
Marketing of local activity to be delivered	30 <sup>th</sup> September 2011	£4,500
Deliver activities and record data Minimum of 2,130 people engaged and 1,065 retained for at least 6 weeks	1 <sup>st</sup> October 2011 to 31 <sup>st</sup> March 2012	£24,000 (three months less)
Monitor and report throughputs and outcomes	30 <sup>th</sup> April 2012	£1,500
Marketing of local activity to be delivered	31 <sup>st</sup> May 2012	£4,500
Deliver activities and record data Minimum of 3,200 people engaged and 1,600 retained for at least 6 weeks	1 <sup>st</sup> June 2012 to 28 <sup>th</sup> February 2013	£36,000
Monitor and report throughputs and outcomes	31 <sup>st</sup> March 2013	£1,500

<b>Project Name</b>	○ <b>Joint Garage and Fleet Maintenance Service</b>
<b>Project Sponsor</b>	○ <b>Stuart Tomlinson, Director of Neighbourhoods, Bolsover DC</b>
<b>Authorities Involved</b>	<b>Bolsover DC North East Derbyshire DC</b>

## Project Description

This is a continuation of the existing collaborative arrangements between the two authorities and seeks to consider the potential benefits from a collaborative Garage and Fleet Management Service for both Bolsover and North East Derbyshire District Councils to bring about modernisation and address overall capacity issues.

The objectives are to:

- Identify the most efficient method of collaboration in terms of cost, quality, management arrangements and service delivery.
- To develop the Business Case for the preferred solution.

Support is requested for the costs of obtaining an External Challenge to the draft Business Case that will be developed internally as part of this project. It is estimated that these will not exceed £10,000. In addition, £15,000 is requested towards the cost of fleet management software which will be offset by anticipated savings in employee costs.

## Outline Benefits

At this stage the total anticipated efficiencies have not been quantified as these will flow from the Business case that will be developed as part of the project; however, it is anticipated that efficiencies of around £50,000 to £100,000 may be achievable. These are described in the summary of the mietool calculation and supported by the attached spreadsheet.

The options for evaluation are:

- Interchange of staff by secondment.
- Joint employment of specialists or contractors.
- Joint management of the teams concerned.
- Formation of a single garage and fleet consortium.
- Identifying opportunities for increased trading and income generation
- Performance and fleet management systems

The £25,000 funding will generate a ROI in excess of 2:1 and possibly as much as 4:1.

Anticipated benefits include:

- Integrated joint working across two sites
- Harmonisation, where possible of IT and other systems
- Establishment of building blocks for further joint working across other services reliant upon fleet and garage services with anticipated reduction in some vehicle numbers
- Shared procurement of parts, fuel, lubricants, etc
- Sharing of model with other councils

### Outcome milestones and spend Profile

Outcome Milestone	Anticipated completion delivery date	Funding payment profile
Approval of PID by Project Board	May 2011	
Progress reviews with Project Board	June 2011	
Gather base data	31 July 2011	
Evaluation of options by Working Group	30 September 2011	
External Challenge of Business Case	October 2011	£5,000
Produce report with preferred option for Project Board	31 October 2011	
Develop preferred option into a full Business Case and present to Project Board	31 December 2011	£5,000
Purchase of Fleet Management Software	31 December 2011	£15,000

### Joint Garage and Fleet Maintenance Service

#### Costs

External challenge for business case	10,000
Fleet management software	15,000
<b>Total</b>	<b>25,000</b>

#### Savings

MoT & Taxi testing	6,100
Reduce external maintenance costs	21,500
Reduce vehicle hire	6,850
Consumables (shared procurement)	4,000
Employee costs Shared Transport Manager and reduced Admin support)	68,500
<b>Total</b>	<b>106,950</b>

<b>Net savings</b>	<b>81,950</b>
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<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ <b>Manor Kingsway Hospital site, Derby</b></li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ <b>Derby Property Alliance (through the Derby City Council Regeneration team)</b></li> </ul>
<b>Partner Authorities Involved</b>	<ul style="list-style-type: none"> <li>● <b>Homes and Communities Agency (HCA)</b></li> <li>● <b>Derby Hospitals Trust</b></li> <li>● <b>East Midlands Ambulance Service</b></li> <li>● <b>Derbyshire Health Care Foundation Trust</b></li> <li>● <b>Derbyshire Fire and Rescue Service</b></li> <li>● <b>Derby City Council (including regeneration, planning, highways, education and estates)</b></li> <li>● <b>Derby City Partnership (various sub-groups including the Infrastructure Planning Group)</b></li> <li>● <b>Other members of the Derby Property Alliance (DPA) as appropriate</b></li> <li>● <b>Derbyshire County Council as appropriate</b></li> </ul>

## Project Description

The Manor Kingsway Hospital site is an important site in the City of Derby which has been allocated as a major mixed use regeneration opportunity. The 49 hectares site is expected to be redeveloped with around 700 houses (including affordable and keyworker housing), employment uses in a high quality business park plus leisure facilities, extensions to existing healthcare uses, a parking scheme and open space. In 2007, Derby City Council drew up a Supplementary Planning Document (SPD) for the site, in partnership with the landowners and English Partnerships. This document can be viewed on Derby City Council's website.

The Manor Kingsway Hospital site is a flagship project and can be an exemplar for partnership working: it offers a unique opportunity to integrate public bodies into the community to meet common goals and to incorporate public and private sector funding and skills. The land owners within the designated development area include the Homes and Communities Agency (HCA), East Midlands Ambulance Service and Derbyshire Health Care Foundation Trust. Immediately adjoining landowners include Derby Hospitals Trust and the Derbyshire Fire and Rescue Service, and premises to be released around the City are held by all the Derby Property Alliance (DPA) Partners including Derby City Council.

Discussions at the DPA Stakeholders' Workshop in September 2010 focussed on the Manor Kingsway Hospital site as it involves many of the Partners and it fits extremely well with the DPA objectives. These discussions have resulted in a project working group to develop the Partners ideas further and to speed up delivery of the development on site in a way which achieves the best mix of uses for the people of Derby.

In turn, this work has revealed some changes in aspirations since the SPD was written. This is largely positive as it demonstrates that there is a lot more commitment to partnership working than there was in 2007, and that the public bodies involved with the site have more ambition for their services and premises than previously. However, these aspirations must be captured and developed urgently or a "once in a generation" opportunity may be lost:

- the HCA has already invited tenders for the site and is currently analysing the three submissions in order to select a preferred partner. The developers involved are not aware of the new ideas and only one of them consulted the Ambulance Service and Health Care Foundation who own part of the site (and even that developer's suggestions are not acceptable to either party). None of the developers liaised with the adjoining landowners, so have not sought to maximise the benefits which can be generated by wider partnership working
- the developers' suggestions and the DPA aspirations may well mean that there is a need to bring the SPD up to date, and it is essential that the information within the SPD is checked for accuracy.

Because of the number of parties involved, the combination of present and future uses and the urgency of agreeing a final mix and masterplan for the site, it is critical that the Manor Kingsway project has a clear direction and good quality project co-ordination.

- **List the local authorities where this project has been previously successfully implemented.**

The DPA itself is a successful REIP funded project, and involves all the parties listed above plus the Primary Care Trust, Derby University, Derby College and the Government Civil Estate. The Manor Kingsway Hospital site was one of 96 former hospital sites/properties transferred to English Partnerships in 2005 (now held by its successor body, the Homes and Communities Agency (HCA)). The portfolio of sites – the Hospital Sites Programme – covers many local authorities and the HCA has worked closely with them, Regional Development Agencies, CABE and English Heritage to bring forward the developments. By mid 2008, 50% of the projects had developers on site so there are many local authorities where this has been successfully implemented. Examples of local authorities involved with successful projects include:

- |  |  |
|--|--|
| - South Oxfordshire District Council     | Fair Mile Hospital, Cholsey                |
| - Chichester District Council            | Graylingwell Hospital, Chichester          |
| - Tonbridge and Malling District Council | Leybourne Grange Hospital,<br>West Malling |
| <br>                                     |  |
| - Herefordshire Council                  | Ledbury Cottage Hospital                   |
| - Shropshire Council                     | Royal Shrewsbury Hospital                  |
| - Basingstoke & Deane Borough Council    | Park Prewett Hospital,<br>Basingstoke      |
| <br>                                     |  |
| - Dartford Borough Council               | Stone House Hospital, Stone                |

and there are many more.

- **Summarise service delivery benefits that have been realised from previous implementation of this project or similar**

The Hospital Sites Programme is intended to create mixed communities, which means providing employment, leisure and community facilities as well as housing (of which a high percentage will be affordable and/or keyworker housing). The estimated numbers at the time of its launch were for 14,000 new homes and 80,000 square metres of employment space. Many of these units have now been built and occupied. In many cases (including Derby) local healthcare facilities remain on or adjacent to the development sites and have benefited from the investment generated by the programme. High profile examples include an emergency helicopter landing pad at Park Prewett, while lower key but no less important to their communities are a new Care Home at Shoreham-by-Sea and work spaces to rent at Ledbury. Longer term, relationships built during the site rationalisation, planning and development stages will benefit all the partners involved in these projects

## Outline Benefits

There can be no doubt that the Manor Kingsway Hospital development will deliver efficiency savings and cashable benefits, particularly if it captures the new aspirations of the partners. It is impossible to list them all here but illustrative examples include:

- new high quality housing: much of it affordable and targeted to benefit health care workers at the adjoining Derby City hospital and related services
- high quality employment space helping existing employers to succeed and/or bringing new employers to Derby
- replacement of premises which are either poorly located or no longer fit for purpose, thus providing better services more economically
- bringing services together in one place will bring savings through reduced duplication of services, minimise travel times, help to avoid the confusion experienced by users etc
- releasing premises elsewhere in the City or nearby, which can be sold to generate re-usable receipts or re-occupied more appropriately and generate income

- the new buildings will be better designed and will have technological improvements and better environmental performance than those they are to replace
- new infrastructure (including highways, classrooms, leisure facilities and public open space) will be provided by funding from the private sector and will be delivered at the time that it is required

Good co-ordination through an independent Project Co-ordinator will deliver cashable benefits because he/she will be able to give the project the urgent attention it requires and will not be encumbered by other interests or conflicting demands. The Project Co-ordinator will have a clear overall vision and will ensure that the project is driven forward effectively, promptly and efficiently. This is vital given the tight timescale. Also, the role will have the degree of authority needed to call upon planning, highways and other specialists to contribute to the project at the appropriate time (meaning that there should be far less duplication of effort, plus a reduction in delays and misunderstandings).

### **ROI calculation**

The DPA Partners are seeking funding from the 2011/2013 East Midlands Improvement and Efficiency Partnership (EM IEP) for the Manor Kingsway site project co-ordination. Initial indications suggest that a sum of £36,500 would fund a Project Co-ordinator for approximately 12 - 18 months (depending on the intensity of the work). The appointment may be external (as for the DPA itself) or involve “secondment” of a member of staff from within one of the Partner organisations.

The table below suggests a return on investment of more than 18:1. Although some of the figures are necessarily estimated at this stage, the additional non-financially quantified benefits indicate that overall this return is realistic.

**Financial Summary  
(Assuming 18 months from 1 July 2011)**

	2011/12 £	2012/13 £	£
<b>Project Co-ordinator</b>	18,250	18,250	36,500
<b>Benefits</b>			
<b>Immediate and certain</b>			
No need for Project Surveyor employed by each partner - save approx.	45,000	45,000	
Other advisers e.g. planning, highways, design, etc employed collectively rather than individually - save approx.	25,000	20,000	
Legal representation - savings from shared work rather than all working individually - save approx.	25,000	30,000	
	<u>95,000</u>	<u>95,000</u>	190,000
<b>Likely</b>			
No need for buffer around Fire Service site releases 0.61 acres - approx.		94,550	
Additional section 106 contributions from Fire Service buffer		97,600	
Ambulance Service vacate site and have better premises - assume break even		0	
Mental Health services are improved through better facilities - quantify by assuming that they can release 1.15 acres on site but need section 106 monies for new building. Generates additional		178,250	
Combined parking scheme - assume could release 5% of SPD allocation (0.75 acres) but that would need the equivalent of section 106 monies to do so Generates additional		116,250	
Fire Service relocation - assume break even (would eradicate need for buffer strip - already quantified above)		0	486,650
<b>Hard to quantify in financial terms</b>			
Manor Kingsway site meets its targets for housing and employment because of maximised layout			
Release of premises elsewhere in Derby			
More economical procurement			
Streamlined delivery of services from new buildings			
Energy savings from better quality buildings			
Inspires other projects to work in partnership and with strong project co-ordination			

## Other Benefits

The landowners at the Manor Kingsway site have many diverse interests which need to be brought together to work to best effect for the site and the community. Otherwise, they will (understandably) remain insular and continue to act only in their own interests. Benefits of this partnership working include:

- Better organisation of operations, better use of assets and a much better site layout

The landowners have indicated that they would be willing to merge their interests and act creatively in order to make the best use of the Manor Kingsway site itself and/or the receipts which can be generated from it. For example:

- the Fire Service training facility adjacent to the land held by the HCA is potentially a nuisance neighbour for residential development in close proximity (and creating a buffer around this site would take up valuable land). The Fire Service would consider relocating to a new location if the income generated helped meet its aspirations
- the Ambulance Service might consider vacating its accommodation on the site if the values would allow for re-provided facilities which meet its aspirations
- the Mental Health Service has asked whether there is an opportunity (given the needs of the Fire and Ambulance Services and the proposed HCA development) to investigate a much more ambitious project to develop a bespoke building housing the Ambulance, Fire and Mental Health Services on the Manor Kingsway site.
- the Hospital Trust has car parking facilities on the periphery which could be improved to serve the development site *and* the Hospital (rather than just the hospital as now). This fits with a second DPA project on car parking and demonstrates the extent to which partnership thinking has progressed

The Hospital Sites Programme and resulting SPD for the Manor Kingsway site are a catalyst. If the best combination of uses and premises is not captured now, there will not be another opportunity in the foreseeable future - because the funding and “drive” will not exist

- The opportunity to meet a number of other efficiency targets, such as more economical procurement and streamlined operations (both technical and administrative)
- Avoiding piecemeal development and to ensure better standards of service and accommodation (homes and businesses) for the people of Derby and the adjoining communities
- Demonstration that partnership working can deliver all these benefits will inspire others to consider schemes of their own on the same lines. (Already, the discussions at DPA meetings have triggered another truly beneficial project for Derby – namely “Getting People back into the City” to live and

work)

- Demonstration that good project co-ordination makes delivery more efficient and pays for itself will lead to better formulated project teams across the DPA partners and other bodies

- **Payback period**

We are confident that the project would pay back the initial investment (assuming a grant of £36,500) within the specified two years period. Indeed, it is critical that it pays back well within that period. The benefits of strict project management and co-ordination must have had effect prior to the preferred bidder submitting its planning application(s) for development of the Manor Kingsway Hospital site, so that the best possible scheme is pursued.

Given that the HCA has already interviewed the three Tenderers and is about to start on consultation prior to selection of the preferred bidder, there is little doubt that the planning application stage would be reached in less than two years. However, to avoid wasted effort on all sides, clear direction is needed very quickly. Thus, we envisage payback within 12 months.

### **Outcome milestones and spend Profile**

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Agree how the parties wish to update the Manor Kingsway SPD and the means of implementing such update (following a review of current requirements and finding the best fit for the site). Commence negotiations between partners, other bodies etc to agree how to maximise the development on the site (both in terms of value and community benefit)	September 2011	35% (£12,775)
Conclude initial negotiations on land. Progress the SPD update to at least consultation stage	March 2012	35% (£12,775)
First elements of the development start on site, and the remainder have a clear programme	September 2012	30% (£10,950)

<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ Property Rationalisation</li> <li>○ (Space Derbyshire)</li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ Derbyshire County Council</li> </ul>
<b>Partner Authorities Involved</b>	<p><b>Action for Children</b></p> <p><b>Amber Valley Borough Council</b></p> <p><b>Bolsover District Council</b></p> <p><b>Chesterfield Borough Council</b></p> <p><b>Derby College</b></p> <p><b>Derby City Council</b></p> <p><b>Derbyshire Constabulary</b></p> <p><b>Derbyshire County Council</b></p> <p><b>Derbyshire County NHS</b></p> <p><b>Derbyshire Dales District Council</b></p> <p><b>Derbyshire Fire and Rescue Authority</b></p> <p><b>Derbyshire Mental Health NHS Trust</b></p> <p><b>East Midlands Ambulance Service</b></p> <p><b>Erewash Borough Council</b></p> <p><b>High Peak Borough Council/Staffordshire</b></p> <p><b>Moorlands District Council</b></p> <p><b>Job Centre Plus</b></p> <p><b>National Probation Service Derbyshire</b></p> <p><b>North East Derbyshire</b></p> <p><b>Peak District National Park</b></p> <p><b>South Derbyshire District Council</b></p> <p><b>Southern Derbyshire LIFT</b></p> <p><b>Tameside and Glossop PCT</b></p> <p><b>University of Derby</b></p>

### Project Description

- The Property Rationalisation Project, now called the Space Derbyshire project, is an existing project (Reference 759) that explores opportunities for sharing accommodation and the joint rationalisation of property.
- In 2008 EMIP and EMIEP funding was received to cover the salaries of two newly created posts within Derbyshire County Council, the main role of which was to liaise with district/borough councils and other agencies to explore and identify opportunities for property rationalisation and accommodation sharing and then to progress any such opportunities. The district liaison officers were subsequently recruited and work to explore opportunities for property rationalisation and accommodation sharing commenced under the name of Space Derbyshire.
- The activities completed or being progressed by the Space Derbyshire partners to date can be summarised as follows:

- Continued interaction between members of Space Derbyshire and between the project and the Derby Property Alliance (DPA) and East Midlands Property Alliance (EMPA).
- Provision of a network and meeting and conference facilities within the majority of participating organisations properties.
- Provision of a network of touchdown centres primarily within Derbyshire County Council properties but also in some borough/district council properties for use by partner organisations.
- Co-ordination of the development and the provision of operational support for the Joint Service Centre at South Normanton in partnership with multiple public and third sector organisations including Bolsover District Council and Derbyshire PCT. Known as The Hub, the development opened to the public in January 2011.
- Ongoing co-ordination of a joint accommodation and property rationalisation project between Derbyshire County Council and South Derbyshire District Council in Swadlincote. Derbyshire County Council will be relocating staff from the Social Services Area Office into the South Derbyshire District Council offices (This proposal, called the South Derbyshire Property Alliance, is the subject of a separate outline business case for EMIEP funding). The Derbyshire Mental Health Trust has expressed an interest in the social services area office when vacated. Timescales are proposed for the end of the year.
- Space Derbyshire has facilitated discussions between Derbyshire County Council and High Peak Borough Council regarding joint accommodation and property rationalisation projects in Glossop and Buxton.
- Space Derbyshire has facilitated discussions between Amber Valley Borough Council and Derbyshire County Council regarding sharing accommodation in Ripley and other towns in Amber Valley.
- Space Derbyshire has facilitated discussions between Derbyshire County Council and Bolsover District Council in respect of potential joint occupation of property assets in Bolsover, the aim being to encourage potential regeneration of the town centre, and throughout the district.
- Space Derbyshire has facilitated discussions between Derbyshire County Council and Derbyshire Mental Health Trust regarding joint accommodation across the County.
- The Space Derbyshire officers have taken an active role in county wide infrastructure planning and are present on the County Council's Infrastructure Planning Group which co-ordinates future property asset requirements.
- Space Derbyshire has enabled a co-ordinated and informed approach by participating members to the impact of Derbyshire County Council's "Changing the Way Derbyshire Works" property rationalisation programme and the potential disposal or transfer of jointly occupied property assets.

- Property is a very illiquid asset and although three of the five original milestones of the project have been achieved (recruitment of the two posts, the provision of a network of meeting and conference facilities and the provision of a network of touchdown/drop-in facilities), two of the milestones have not yet been fully achieved, namely shared accommodation/service facilities and the realisation of capital receipts. If the project were to lose funding at this stage, some opportunities for joint property rationalisation and accommodation sharing between the partner agencies may never be fully identified and realised.
- The original Property Rationalisation Outline Business Case submitted in 2008 stated that the duration of the posts could be extended beyond the initial three years if the efficiency savings made in each year are in excess of the costs of the posts.
- Whilst many of the benefits of the project cannot be expressed in financial terms, one particular scheme resulting from the Space Derbyshire project and currently being progressed will result in significant revenue savings for the authorities involved. The South Derbyshire Property Alliance scheme aims to deliver the rationalisation of South Derbyshire District Council and Derbyshire County Council property assets. The outline business case demonstrates that revenue savings in the region of £112,000 per annum can be achieved. This proposed savings alone by far outweigh the annual cost of employing the two Space Derbyshire officers.
- The two Space Derbyshire officers have also been actively involved in implementing Derbyshire County Council's 'Changing the Way Derbyshire Works' Accommodation Project which essentially is a project to modernise the way in which County Council staff work and also to rationalise the administrative office accommodation. It is estimated that this project should achieve £3 millions revenue savings per annum (after three years) and £20 millions in capital receipts from the sale of surplus properties. This project is also providing opportunities and property solutions for other organisations participating in Space Derbyshire.
- In order to enable continuation of the Space Derbyshire project, EMIEP funding is required to cover the costs of the two officers employed for a further two years.

## **Outline Benefits**

- Continuation of the Property Rationalisation Space Derbyshire Project will:
  - Deliver efficient asset management by joint working between the participating agencies;
  - Result in the generation of revenue savings and revenue income or capital receipts for participating agencies through the more effective use and/or disposal of property assets;
  - Encourage economic development through the provision of redevelopment opportunities on to the property market;

- Ensure that participating authorities are utilising their property assets in the most efficient and effective way in accordance with modern workspace standards;
  - Provide participating agencies with property solutions that will support flexible working and provide staff with the facilities needed to deliver their services and improved environments in which to work;
  - Provide 'One Stop' services to the public in accessible locations around the county;
  - Reduce participating agencies' carbon footprints through the rationalisation of property assets and the improvement of any retained property assets;
  - Reduce participating agencies' budget requirement for Carbon Trading (where appropriate).
- The project costs are summarised as follows:

<b>Description</b>	<b>Cost per annum</b>
Continued employment of two Space Derbyshire Officers (Including on-costs) until 31 Mar 2014	£146,000
<b>Total amount sought from EMIEP</b>	<b>£146,000</b>
Total potential revenue savings on property costs for all participating organisations expected to be in excess of	£3,000,000

The cost of provision of accommodation, IT and telephony equipment and any expenses claims or additional salary costs for the two Space Derbyshire officers has previously and will continue to be met by Derbyshire County Council.

- The return on investment for the Space Derbyshire Property Rationalisation Project is expected to be in excess of 10:1.
- The payback period for the project is estimated to be less than two years.

### **Outcome milestones and spend Profile**

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Continued co-ordination of property rationalisation and accommodation sharing schemes between participating organisations– Year 4 of the Project	1 <sup>st</sup> April 2012	£65,000
Continued co-ordination of property rationalisation and accommodation sharing schemes between participating organisations– Year 5 of the Project	1 <sup>st</sup> April 2013	£81,000

<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ <b>Procurement:</b></li> <li>○ <b>Obtaining Optimum Value from existing shared supplier arrangements</b></li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ <b>Chris Elliott, Transformation Manager, High Peak Borough Council</b></li> </ul>
<b>Authorities Involved</b>	<ul style="list-style-type: none"> <li>○ <b>Derbyshire Procurement Forum</b> <ul style="list-style-type: none"> <li>▪ <b>Derbyshire Local Authorities and Districts</b></li> </ul> </li> </ul>

### Project Description

- There is a relatively untapped efficiency opportunity in authorities collaborating in their approach to reducing expenditure with EXISTING medium and long term supplier contracts that have already been entered into and for which contracts currently exist. This is distinct from collaboration on new procurement opportunities.
- As a rule of thumb public bodies spend half of their net budget on staff and the rest on external goods and services. To achieve significant cost reductions it is unthinkable not to include the external market in that approach, and in particular not to ask our longer term partners to come up with cost reductions – the alternative being more staff casualties internally. New procurement activity (e.g contract renewal and re-tendering) at times account for only 10-20% in any one year of the Council net budget. A significant amount remains tied up in longer term commitments. This should be actively targeted and not be seen as off-limits purely because we have contracts in place.
- Suppliers are not used to this approach and as such there is a substantial opportunity to tap into savings not previously achieved. It will require authorities to create a united front on external cost challenge and an acceptance that in these difficult times that we have no alternative other than to demand (not ask) suppliers to share the burden.
- It is proven that when authorities collaborate on procurement that economies of scale are achieved through combining spend. It follows that bringing this power of spend together with existing suppliers will bring additional benefits for contracts already in place.
- There is a well proven track record in the private sector in bringing together spend and economies of scale when negotiating contracts and contract reductions with existing suppliers. It is so well proven that even businesses who are in competition with each other collaborate together when negotiating discounts with Suppliers (e.g Tyre manufacturing industry).

- Authorities in Derbyshire share a common Supplier base in key areas of high expenditure. An analysis of this spend across councils of the Derbyshire Procurement Forum has shown that there are a significant number of common suppliers, with a combined large spend in excess of £500,000 p.a. A 5% reduction in this type of contract will yield £25,000 p.a. each time and should not be seen as unachievable in many cases (e.g. ICT supplier licence costs are easily challengeable in the current environment).
- High Peak Borough Council has recently completed a contract review in waste and has achieved savings of over £100,000 p.a. The project would refine this and other intelligent approaches in place at each partner and refine this with a new joint and focussed approach when meeting and negotiating with common suppliers.
- The ability for authorities to negotiate variations to long term, high value contracts is restricted by their own individual purchasing power. However through collaboration with other councils the ability to negotiate in favour of the Councils is increased by:
  - Providing the supplier the opportunity to share assets / resources / contract management with other authorities.
  - Identifying costs that suppliers incur through tailored service delivery for each council and through agreeing joint delivery methods reducing costs to the Council. Examples of this could include joint Key Performance Indicators.
  - Benchmarking performance standards and service delivery costs across the Councils.
  - Having a collective approach of bluntness with Suppliers informing them that in return for spending a significant amount of money on their goods and services that we expect them to recycle back some of their profits into the public sector through rebates or price reductions. It is extremely difficult for a Supplier faced with 4-6 Customers with a common goal to ignore their requests (or demands) given the well documented environment that we are now operating in.
- The project is not reliant on the authorities agreeing to a joint approach to service delivery (e.g. a joint waste collection or waste management policy), and seeks to provide efficiencies whilst recognising the need to retain some individual service delivery requirements.

### **Outline Benefits**

- Developing a shared approach to cutting costs from existing contracts will have measurable cashable benefits.
- Improving the Supplier intelligence across the partnership will enable Councils to have a greater negotiating power going forward.

- Identifying opportunities to reduce contract costs through evaluating the suppliers' performance against the tendered specification and contract will give partners leverage.
- The activity will create other opportunities for future joint procurement activity for additional cost reductions.
- Working in partnership will provide an opportunity to challenge existing service specifications, ensuring that they are fit for purpose in this new environment, and evaluating the potential to rationalise the service and/or service delivery standards.
- Joint renegotiation of service levels and supplier audits (the Supplier will also benefit from a joined-up client approach) may create more savings.
- Joint approach to contract extension and exit management will generate additional benefits at contract extension points if Councils collaborate together and apply their leverage appropriately.
- The work will enable authorities to deploy shared client side contract management expertise for large contracts that could be more efficiently deployed together than separately.
- Focussing upon shared contracts will improve transparency and availability of open and clear benchmarked costs which Suppliers are not keen normally to make available.
- The ability to improve performance and create stronger client relationships with Suppliers will be enabled through a non-adversarial but robust approach.
- The ability to create and train staff in operational contract management (as differentiated from commercial contract management) to ensure that we consistently achieve the right level of supplier performance for a reduced cost is an opportunity provided by this project.
- The goal would be to progressively aim to save up to 5% of existing medium and long term contract costs by a joint approach on targeted contracts.
- Partners will grow to be more confident in taking a less risk averse approach to managing supplier relationships.

### **Summary of Common Contract Opportunities (Derbyshire Partnership)**

- Derbyshire Procurement Forum colleagues participated in an analysis of their top 20 spend profiles; this exercise identified a number of opportunities for combined contract opportunities and existing contract

negotiations. These opportunities should be seen as a start point and some, if targeted appropriately, will reap more benefits than others. However, none should be seen as “off-limits”.

- Potential opportunities have been identified across 11 common contracted suppliers, participating Authorities would benefit from a share of the potential £700,000 savings detailed on Appendix A – Table of Opportunity.
- Partnership support – The participating districts engaged in the spend analysis included Bolsover DC, Chesterfield BC, North East Derbyshire DC, Erewash BC, Derbyshire Dales DC and High Peak BC (inc. Staffordshire Moorlands DC).
- Full support and backing for the scheme has been received from the shared procurement unit for Bolsover, Chesterfield and North East Derbyshire. The remaining partners supported the concept of this proposal.

### **Outcome milestones and Spend Profile**

- Subject to successful acceptance of this request, a detailed business case and PID will be established. The funding will support project management, legal and procurement resource to deliver the benefits of the project. The expected project expenditure is £40,000.

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Create PID and agree pilot project engagement	June 2011	10%
Common tactical approach agreed with engaged partners	July 2011	10%
Engagement of common suppliers & initial delivery of agreed joint savings	September 2011	50%
Roll out of methodology to other joint contract opportunities	December 2011	30%

- **Appendix A - Table of Opportunity**  
Derbyshire Districts common suppliers (by spend)

Supplier	Aggregate Value £	Target 5% Contract Saving	BDC	CBC	EBC	NEDDC	DDDC	HPBC	SMDC
ABITIBIBOWATER REC EUROPE	789,172.90	39,458.65	X	X					
Aon Limited	1,260,610.17	63,030.51		X	X	X			
Capita Business Services Ltd	241,236.00	12,061.80	X			X			
CIVICA UK LTD	352,408.34	17,620.42	X		X			X	X
EAGA CONTRACT SERVICES	440,614.14	22,030.71	X					X	
G F TOMLINSON BUILDING LTD	2,419,818.48	120,990.92					X	X	
HOWDEN JOINERY LIMITED	656,891.87	32,844.59	X	X					
IDOX Software Ltd	385,155.22	19,257.76	X			X	X		
J Tomlinson Ltd	932,638.52	46,631.93		X			X		
NORTHGATE INFORMATION SOLUTIONS UK LTD	631,646.58	31,582.33		X		X		X	X
Recresco	191,279.00	9,563.95				X	X		
Translinc Limited	1,936,157.99	96,807.90		X		X		X	
Veolia Environmental Services	7,192,984.45	359,649.22		X			X	X	
VITAL EARTH (GB) LTD	1,100,751.62	55,037.58					X		X
WHITEHOUSE CONSTRUCTION CO LTD	367,672.53	18,383.63			X				X
ZURICH MUNICIPAL	1,022,410.88	51,120.54			X		X	X	X
	19,921,448.69	996,072.43							

- **Contracts highlighted:**

Up to 4 Derbyshire Districts sharing 11 potential opportunities for recurring contract negotiations – target 5% total reduction in costs **£701,415**.

<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ <b>Business Transformation – Developing our System Approach – Payroll &amp; Housing</b></li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ <b>LIEP (North Kesteven DC)</b></li> </ul>
<b>Authorities Involved</b>	<ul style="list-style-type: none"> <li>○ <ul style="list-style-type: none"> <li>▪ <b>South Kesteven, Boston BC</b></li> </ul> </li> </ul>

### Project Description

To extend our successful systems approach to business transformation which has been applied to six service areas across five district councils in the last three years. Redesigning these services using a 'systems methodology' has resulted in dramatic improvements in service delivery to customers and efficiencies for the councils involved. This next phase of the project seeks £50k funding to carry out two further interventions.

To commission **full systems intervention in two service areas** across two or more District councils. This will involve South Kesteven and Boston working together on interventions in Payroll and Housing (e.g. allocations, housing waiting list, homelessness and housing advice. Further partners may be added throughout the life of each project. The projects will be run by using a combination of in-house capacity and external support with the EMIEP funding being used to buy in the external support days. Partner contributions will resource the in-house support. By being able to use our own trained staff we have halved the amount of external support needed though some external support will still be necessary (£50k).

**Payroll** - in order to allow two authorities (Boston BC and South Kesteven DC) to join/amalgamate payroll services, South Kesteven are initiating a fundamental lean intervention in the payroll section, the scope of the work covers three areas of purpose, sickness reporting, "pay me more" and new starters. The reason for this is to release capacity in the team to enable further staff numbers to be added to their current payroll list. This follows on from some earlier work the council did on looking at taking on the payroll of a local FE college. It is possible, once the work is completed, that another District in the County may choose to take payroll services from the SK/BBC partnership.

**Housing** - some preparatory work has already been carried out on Housing Allocations at South Kesteven, this has produced an initial measure of purpose - "To allocate the most suitable home to the customer with the greatest need in an acceptable time period". Boston has transferred its housing stock though retains responsibility for maintaining a waiting list, operating a 'choice based lettings' system and providing housing advice. Correctly matching the needs of the customer to a prospective home is a fundamental outcome, which best supports, our communities. When this is not achieved in the best way, the costs are hidden, both in terms of the outcomes to our customers and to the potential for additional interventions from other public services e.g. education and health. It is anticipated that the systems intervention will improve the councils' ability to identify and meet customer needs, reduce void turnaround times (end-to-end), and improve the allocation system.

## **Service delivery benefits** realised from previous implementation of earlier systems projects

**Waste Management** systems intervention at Boston has resulted in reduced failure demand – a 6% decrease in the number of reported missed bins, over 100 fewer black bags flytipped in the 3 months Jan to March 2011 (compared to same period in 2010), and a 70% reduction in the amount of side waste left out, fewer vehicle breakdowns and more evenly distributed collection rounds across the different crews. Potential savings of some £339k have been identified through implementing a redesigned structure, less enforcement required, co-mingling waste, and fuel/breakdown costs through a new vehicle fleet.

**Planning service - systems** interventions at Lincoln and South Kesteven. Both redesigns have been successful in tackling backlogs and reducing the time taken for new planning applications, typically halving the time from 71 days to 33 days in Lincoln and 65 days to 35 days in South Kesteven. Other elements of the service such as 'discharge of conditions' have also been improved and South Kesteven have also involved the economic development service and policy planning service of the Council in the redesign and service assessment, thereby ensuring better joined-up working between services. Lincoln's new redesigned service has identified £77k a year cashable efficiency savings and South Kesteven £113k.

**Revenue and Benefits** in Lincoln City, North Kesteven, West Lindsey and South Kesteven: This involved two separate projects redesigning and improving the revenues and benefits services in four District Councils and investigating the possibility of delivering a shared service between three Councils. These projects aimed to reduce the time for processing benefits applications. The projects have involved staff moving between the different locations and functions to look at services in each Council:

- Benefits advisers are now at the front end of the process and complete applications with the customer either face-to-face or on the telephone. Previously customers were expected to complete application forms largely on their own and customer service advisers were their primary point of contact, this system design led to unnecessary steps in the process, delays in processing applications and a large amount of wasted time.
- Processing times have been reduced (typically by half) by redesigning the service.
- Redesigned services have been able to meet increased demand from the economic downturn, for example, South Kesteven has been able to absorb a 30% increase in workload without increasing staff.
- Two (Lincoln and NK) councils are now working on implementing a shared service and a manager has been seconded to head up this shared service. They will also procure a shared IT service. These improvements are anticipated to produce savings of approximately **£400,000**.

## Outline Benefits

Each system intervention needs to be treated as a unique study and it is not possible to accurately predict the level of savings that might be achieved from one study to another. The demand of a service in a particular area needs to be studied and a detailed understanding in terms of how much ‘failure demand’ and ‘value’ demand is present in the system gained before levels of savings can be considered.

However from our experience so far we can be confident of generating cashable savings and of achieving rapid payback periods. From the three services areas outlined above we can demonstrate:

Intervention	Cost £'000	Potential savings a year £'000	ROI over 5 years
Waste Mgt (Bost)	46k	339k	36:1
Planning (Linc)	43.6k	77k	9:1
Planning (SK)	50k	113k	11.1
Revs and Bens (Lincoln/NK)	140k	£400k	14:1

### Other Benefits –

In addition to the type of service benefits outlined above we can expect these interventions to:

- Contribute to reduction of non value work (typically 40%+ of work in a system is identified as being of non-value in meeting customer purpose some of which can be reduced) in cost of service delivery
- Continual development of in-house staff to lead reviews and develop skill set of managers

### Outcome milestones and spend Profile

Outcome Milestone	Anticipated completion delivery date	Funding Payment profile
<b>Full systems intervention in two service areas</b> across two councils. Total project of 80 days with 30 external support days required.	March 2012	£50,000
Total Bid		£50,000

<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ <b>Business Transformation – Developing our System Approach to Adult Social Care - Excellent Ageing</b></li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ <b>LIEP (North Kesteven DC)</b></li> </ul>
<b>Authorities Involved</b>	<ul style="list-style-type: none"> <li>○ <ul style="list-style-type: none"> <li>▪ <b>Lincolnshire County Council, Lincolnshire PCT, United Lincolnshire Hospital Trust and the wider health community.</b></li> </ul> </li> </ul>

### Project Description

To extend our successful systems approach to an area of Adult Social Care and Primary care. This will build on the success achieved by the system interventions applied to six service areas across various Lincolnshire councils in the last three years. Redesigning these services using a ‘systems methodology’ has resulted in dramatic improvements in service delivery to customers and efficiencies for the councils involved.

This project will involve a system intervention in **adult/community care** aimed at minimising unnecessary hospital and residential care admissions as part of Lincolnshire’s Excellent Ageing work stream. This will involve both Lincolnshire County Council and the Lincolnshire Health Community (PCT, United Hospital Trust, Community Health Services, GPs and the Lincolnshire Partnership Foundation Trust), as well as the voluntary sector such as Age UK. It will benefit from building on a recently completed successful systems review in Somerset in this area. (£50k EMIEP matched by £50k Lincolnshire Reablement funding).

**Adult/Community Care intervention** – For many resource-constrained organisations like adult social care and the health service the most important issue is not how to afford new capacity to meet excess demand but to make proper use of existing capacity by redesigning services so that the resources are focused on meeting the users ‘value’ demand rather than ‘failure’ demand. Effective redesign can result in the excess demand either not materialising or being able to be absorbed by the new way of working. So we propose to build on our experience to date and carry out an intervention in adult and community care designed to minimise unnecessary admissions to hospital and long stay residential care.

A partnership project between adult social care and NHS in Somerset has shown the type of improvements that can be made. A systems review of rehabilitation and re-enablement, check phase carried out (June10 to Jan11), redesign and pilot (Nov 10 to Feb11) has had a dramatic impact in one GP surgery area. The review analysed individual hospital admission cases and tracked their path through and out of the hospital, community hospital, nursing/residential home and individual’s home environments. The multi agency review team defined customer purpose as “**Help me**

**do the things that matter to me". They created a multi-disciplinary team based in one GP surgery (which had a district nurse, community matron, and pharmacist), one phone number, and a team of 5 people – 2 OTs (asc and health), a social worker, physiotherapist and a case worker supervisor. Using operating principles of 1 key worker per patient, all patients are seen in their own home by 2+ of the team together to fully understand their needs and 'what a good life' meant to them. Minimal paperwork, no nursing uniforms, all care assessment eligibility criteria scrapped for test and team retain ownership and pulling support if needed. **So far following results achieved**, the team have seen 33 people in test phase, so far 13 prevented admissions to acute care, 4 reduced stays in hospital, 3 prevented admissions to community hospitals, 6 prevented to residential care, 5 cases where use of equipment avoided, 10 packages of care avoided and reduced packages of care in 2 further cases.**

In Lincolnshire we have created an embryonic multi-disciplinary community health team approach in one area of the county though the service does not include all the necessary disciplines to be fully effective and is operating within an overall system that prevents effective whole system working. This intervention will track user demand (older people) and the journey they take through the system and the impact it has on their overall health and ability to maintain an independent life, identifying value/waste and redesigning the service to meet need.

## 2. Outline Benefits

Lincolnshire's Excellent Ageing Programme has proposed the creation of an 'Integrated Reablement' service which will include:

- An integrated **community based** reablement service comprising assessment, recovery and rehabilitation delivered through a multidisciplinary team.
- A multidisciplinary hospital 'inreach' team to prevent inappropriate hospital admission and to reduce length of hospital stay within A&E and EAU/CDU departments
- Patient flow team to support hospital discharge at the optimum time without delay

The cost to keep someone in hospital for 3 days including ambulance and A&E admission will vary due to their condition but an average figure is **£3122**.

Financial models for the new service forecast potential savings of **£9,013.671** a year. This is made up of:

1. **Preventing or reducing the number of admissions and readmissions to hospital** – reablement proposal will prevent 1073 people a year being admitted to acute hospital –  $1073 \times £3122 = \mathbf{£3,349,906}$ .
2. **Reducing Delays in transfers from hospital to home** – Earlier discharge of 1091 patients, assuming this saves an average of 3 days per person, the potential full year saving is  $1091 \times £2775$  (cost of a 3 day stay) = **£3,027,525**
3. **Reduction in excess bed days** – new model to deliver reduction of 2000 excess bed days saving **£1,850,000** (at £925 a bed day)

- 4. Reduction/delay number of people requiring long stay care home admission** – diverting 20% away from long stay residential or nursing home care (£450 per week) and replacing with integrated home care (£210 per week) saves £240 per person per week. Assuming 63 people @ £240 x 52 weeks = **£786,240**

Each system intervention needs to be treated as a unique study and it is not possible to accurately predict the level of savings that might be achieved from one study to another. This intervention will help contribute to the achievement of the above savings, and from our experience so far we can be confident of generating cashable savings and of achieving rapid payback periods.

Even if the intervention was only able to deliver the reduction in people requiring long term care home it would deliver savings of **£786k a year, a ROI over 5 years of 39:1 (with a total project cost of £100k)**.

Our system led intervention programme has delivered significant savings in Lincolnshire as demonstrated below and we are confident that this intervention will have a similar success:

<b>Intervention</b>	<b>Cost £'000</b>	<b>Potential savings a year £'000</b>	<b>ROI over 5 years</b>
Waste Mgt (Bost)	46k	339k	36:1
Planning (Linc)	43.6k	77k	9:1
Revs and Bens (Lincoln/NK)	140k	£400k	14:1
DFG	112k	109K	5:1

**Other Benefits –**

- Contribute to reduction of non value work (typically 40%+ of work in a system is identified as being of non-value in meeting customer purpose some of which can be reduced) in cost of service delivery
- Continual development of in-house staff to lead reviews and develop skill set of managers

### 3. Outcome milestones and spend Profile

Outcome Milestone	Anticipated completion date	Funding payment profile
A system intervention in <b>adult/community care</b> aimed at minimising unnecessary hospital admissions as part of Lincolnshire's Excellent Ageing workstream. Total project with 60 external support days – EMIEP funding for 50% (30 days) of these and partner funding to match fund remaining 50%	March 2013	£50,000
Total Bid		£50,000

<b>Project Name</b>	<ul style="list-style-type: none"> <li>○ <b>Business Transformation – Developing System Measures – Implementation of a Shared DFG Service</b></li> </ul>
<b>Project Sponsor</b>	<ul style="list-style-type: none"> <li>○ <b>LIEP (North Kesteven DC)</b></li> </ul>
<b>Authorities Involved</b>	<ul style="list-style-type: none"> <li>○ <ul style="list-style-type: none"> <li>▪ <b>South Kesteven, North Kesteven, Lincoln City, West Lindsey District Council and Lincolnshire County Council</b></li> </ul> </li> </ul>

### Project Description

To implement a shared service for disabled facility grants (DFG) across four district councils using a successfully proven redesigned system. Redesigning the way we handle DFGs using a 'systems methodology' has resulted in dramatic improvements in service delivery to customers and efficiencies for the councils involved.

This next phase of the project seeks £50k funding to assist in implementing a **DFG shared service** (following the successful DFG Systems project) for four councils (Lincoln, SK, NK and WL) and extend the redesigned new way of working in DFGs to the remaining three districts in Lincolnshire and look at using the approach across the social housing stock (£50k)

The first phase of the Disabled Facility Grants - has involved four districts and the county council working a new redesigned system which is delivering completed adaptations in less than 60 days compared to the old system average of 344 days. The data showed us that the average age of those entering residential care in Lincolnshire was 86.6 for those who had had a DFG adaptation to their home and 82.2 for those who had not, a difference of over four years independent living and avoidance of expensive care costs. In the last year, 18 people who had benefited from DFGs entered residential care, without their DFGs this could have happened four years earlier and cost up to £1.49m in care costs (based on weekly care cost of £400). Our work to date shows that there is a benefit to the whole care system when the DFG system is working to meet purpose. Customers are able to maintain independent living, and the care sector (hospital and residential care) avoids the consequential care costs associated when the system does not operate effectively.

## Case Scenarios

Case	Value of DFG Work	Cost of Failure	Basis of Calculation
User W	£4,530	£30,250	As a result of the delay in the DFG process the client was admitted to hospital and was not able to be released back to her home. The cost of the hospital stay was £24,750 and the delayed discharge fine could be £5,500.
User D	£1,500 Stair Lift	£4,250	Client had a 1 week stay in hospital at £3,150 and 1 week stay in residential care at £400/week. In addition, there was a bed blocking fine of £700.
User B	Not assessed	£18,900 plus	The client was admitted to hospital for a 6 week period at a cost of £18,900 and has since been moved to residential care at an ongoing cost of £400 per week.

## Outline Benefits

From our experience so far we can be confident of generating cashable savings in the DFG service. This will be in the form of reduced administration costs (£147k) which will be recycled back into the grant pot thereby enabling more adaptations to be delivered, costs avoided by implementing a more efficient system (£399k) and an estimate of the level of savings in hospital costs if 5% of the annual case load was prevented from being admitted to hospital. The new system can deliver significant savings in avoiding more expensive forms of care such as residential or hospital stays. The potential savings (avoided costs) in hospital costs are based on 5% of the 456 people a year (who will benefit from an adaptation) having to be admitted unnecessarily to hospital for a 6 day stay. The average cost of a 6 day stay in hospital with ambulance and A&E admission is £6244

Intervention	Cost £'000	Potential savings a year £'000	ROI over 5 years
DFG phase 1 & expansion completed May 2011	141k	147K	5:1
<b>DFG phase 2 Shared service to be implemented July 2011 onwards</b>	191k (141k + 50k new EMIEP funding)	£147k a yr plus £399k a year avoided costs plus £144k a year (if 5% not admitted to hospital)	<b>18:1</b>

The tables below show the cashable saving achieved from phase 1 of this project and the potential cost avoidance from implementing phase 2 with a further £50k EMIEP support.

	Agents	HIA SLA	Staff	Total	Cases Complete	Cost Per Case
<b>WLDC</b>	£43,563	£35,000	£16,500	<b>£95,063</b>	<b>56</b>	<b>£1,697.55</b>
<b>NKDC</b>	£4,000	£36,000	£27,525	<b>£67,525</b>	<b>66</b>	<b>£1,023.11</b>
<b>SKDC</b>	£14,000	£35,000	£17,555	<b>£66,555</b>	<b>95</b>	<b>£700.58</b>
<b>CofL</b>	£59,000	£0	£47,471	<b>£106,471</b>	<b>43</b>	<b>£2,476.07</b>
<b>TOTAL</b>	<b>£120,563</b>	<b>£106,000</b>	<b>£109,051</b>	<b>£335,614</b>	<b>260</b>	<b>£1,290.82</b>

### Current total administration costs and cost per case

Table below shows the total administration costs for individual Districts and the total cost across all 4 Districts and the cost per case of the current system.

### Proposed administration costs and cost per case

Table below shows the total administration costs for individual Districts and the total cost across all 4 Districts and the cost per case of the proposed system. Note the number of cases projected to be completed is based upon the volume of work completed in the first 3 months.

	Agents	HIA SLA	Staff	Total	Cases Complete	Cost Per Case
<b>All</b>	<b>£0</b>	<b>£0</b>	<b>£188,830</b>	<b>£188,830</b>	<b>456</b>	<b>£414.10</b>
<b>Saving on Old system</b>				<b>£146,784</b>		

### Cost Avoidance

The table below shows the costs that would be incurred to match the performance of the re-designed system if the current process was to complete the same number of cases as the pilot. The cost would be £588,615 which is £399,785 more than the redesigned process to deliver the same volume of work.

	Total Cost	Cases Completed	Cost Per Case
<b>New Process</b>	<b>£188,830</b>	<b>456</b>	<b>£414.10</b>
<b>Current Process</b>	<b>£588,615</b>	<b>456</b>	<b>£1290.82</b>
<b>Cost Avoidance Saving</b>	<b>£399,785</b>		<b>£876.72</b>

## Other Benefits –

In addition to the benefits outlined above with the funding we will also be able to:

- Continue the development of the new team in learning how to work in a systems led environment
- Ensure the IT used is developed to meet the needs of the redesigned service
- Co-locate the team in a central location
- Extend the approach to the other three districts in Lincolnshire and other forms of housing stock

## Outcome milestones and spend Profile

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
<b>Establish a DFG shared service</b> (following the successful DFG Systems project) for four councils (Lincoln, SK, NK and WL). Develop IT to meet new redesigned service and extend the redesigned new way of working in DFGs to the remaining three districts in Lincolnshire and other forms of housing stock (£50k). Total project of 80 days with 30 external support days required.	March 2013	£50,000
Total Bid		£50,000

Project Name	<ul style="list-style-type: none"> <li>○ 'Cloud' Print and Mail Shared Service             <ul style="list-style-type: none"> <li>▪</li> </ul> </li> </ul>
Project Sponsor	<ul style="list-style-type: none"> <li>▪ Simon Salmon, Nottingham City Council</li> </ul>
Authorities Involved	<p><b>Nottingham City Council, Doncaster MBC, North Derbyshire Partnership (Bolsover District Council, North East Derbyshire District Council, and Derbyshire Dales District Council)</b></p>

### Project Description

Background: The last 3 years has seen the development of business process improvement skills across Nottinghamshire using EMIEP and NIEG support. The Nottinghamshire Improvement and Efficiency Project (NIEG-720) have supported a number of implementation projects to embed these skills and increase learning. The project has involved 371 colleagues across all partners in developing their skills and awareness of lean and systems thinking methodologies: 26 of these colleagues have developed their expertise and skills through implementing learning. This proposal is an outcome of those new skills and confidence between partners.

Proposal: Printing and mailing of correspondence and information at local authorities has often been left out of redesign, but the reviews in housing benefits and council tax services has indicated that these functions are ready for reform. The project is about kick starting a proposal to adopt a 'cloud computing' initiative to large volume printing with a consolidated mailing service.

Partners will be able to print large volume document to a central unit through use of secure internet technology using a number of standardised templates. These print jobs are then sent out direct into the postal services or couriered to the partner's preferred delivery address. The types of documents that are envisaged to be printed in this way are council tax bills, reminders, electoral role re-registrations, polling cards, schools administrations – forms / acceptance letters, debt recovery documents and housing benefit correspondence.

Partners: Nottingham City Council is the lead partner and will manage the project and benefits. The other core partners are North East Derbyshire DC, Derbyshire Dales DC, Bolsover DC (As a partnership), and Doncaster MBC. Additional partner are to introduced from April 2012 or earlier as the system goes live and partners are ready to join; these include Bassetlaw DC, Lincolnshire CC, Gateshead Metropolitan Council with further interest from Mansfield DC and others.

This type service is already in development within a London Borough and with some Central Government Department (Child Tax credits), but has not been developed across a region or over regions.

### Outline Benefits

Benefits: Primarily partners will realise a reduction in costs to print and mail documents through economies of scale. In addition, partners will see a knock on effect with reduction in floor space required for storage of materials and printing equipment, and reduction of energy used; therefore assisting with their carbon

reduction plans. Less time will be spent moving the documents around from the printer to the desk (put it in an envelope) to the mail box, mail box to mail room, size it weigh it and onwards. This joint work will allow Partners to have a stronger business continuity plan as centralised equipment will have better service and maintenance standards and fall over capacity.

Furthermore, the outcomes will help the ICT and Business professionals to see the practice impact and benefits of 'cloud computer', which will help develop further solutions and savings.

Return of Investment: The ROI is estimated high; in general terms a print run to 125,000 addresses currently cost £7,000 using cloud printing hub it would reduce to £600; this excludes better postage rates. Also, there is potential for advertisement revenue selling space to a wide distribution. See below table for Consultants ROI estimate.

Description	Total Spend (fy09/10)	Reduction	Comments
Pedal Express	£61,917	Large reduction	Difficult to Quantify
Royal Mail	£934,241	£134,344	Joined Together with NeoPost
NeoPost	£500,466		Joined Together with Royal Mail
Konica	£626,177	£296,772	
NCC Staffing	n.a.	£977,614	
<b>Saving</b>	<b>Cashable</b>	<b>£431,116</b>	
	<b>Non cashable</b>	<b>£977,614</b>	
	<b>Total</b>	<b>£1,408,730</b>	

PitneyBowes

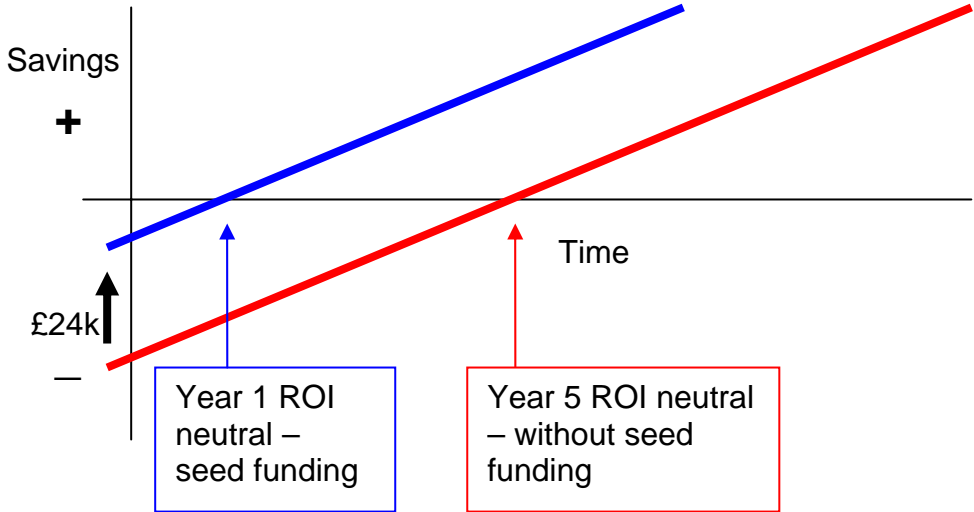
Project Costs: The project requires pump priming investment to allow the quicker return of investment to smaller partners and to demonstrate an operational solution to other potential partners. It is critical to partners that the service offered not only provides savings but offers an excellent delivery and adds value to existing arrangements. These criteria will be defined during phase 1 and form the basis of any service level agreement.

Costs are broken in to 3 parts:

1. Cost of development of the initial solution (£60k)
2. Cost of adoption for each partner (£24k – for first 3 partners)
3. Project management and administration (£35k)

Seed Funding: Critically the cost of adopting the solution (item 2) will help to create a business case for partners with smaller volumes in printing and mailing. The funding will allow them to change / modify existing solutions to meet requirements of the developed solution (item 1). Normally these costs could discourage partners in adopting the solution, as small volumes of initial print jobs may not return investment as quickly as needed to meet current pressures. To maximise their ROI, partners will

need be required to fully utilised the solution and move to business as usual quickly, which the support funding will help to achieve. Note: this will require partners to close down their existing print and mail solutions. The illustration below shows how time of any ROI is reduced by seed funding support to initial partners.



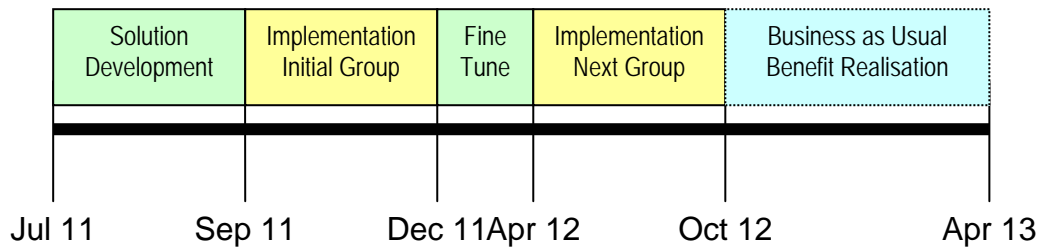
Roll-in of further partners: Part of the savings generated by the initial group will be used to support the next group of partners to adopt the solution. This is estimated as £8k per partner. In addition, savings will fund development of further options, such as an expansion of templates, and options for incoming mail.

Project Management: Part 3 of the funding will be used for a dedicated fixed resource to manage the project for 12 months and seek out requirements, new business ideas and new partners following the initial groups' implementation.

Ongoing Costs: There will be a revenue stream required to manage, maintain, and develop the solution. This will need to be in place for the end of this project (April 2013). Partners by then will see proof in the concept and initial savings, plus forecast long-term savings, which is envisaged to be delivered without the need for any annual contribution to the solution. This information will then provide the flexible framework to other partners to join with small to large business demands. Partners will have the opportunity to make a ROI within 18 months, subject to the scale of adoption, and deliver ongoing savings to enable further transformation.

**Outcome milestones and spend Profile**

Project Timeline: The project has five key stages; these are outlined in the below table.



Outcome Milestone	Anticipated completion delivery date	Funding payment profile
Completion of initial solutions	30 <sup>th</sup> September 2011	£40,000 (item 1) £8,750 (item 3)
Implementation and Testing at initial group sites; successful practice runs.	31 <sup>st</sup> December 2011	£15,000 (item 1) £15,000 (item 2) £8,750 (item 3)
Complete configuration and service agreements; then business as usual with initial group; solution live.	31 <sup>st</sup> March 2012	£5,000 (item 1) £9,000 (item 2) £8,750 (item 3)
Roll-in of other partners. 2 additional partners implemented.	31 <sup>st</sup> October 2012	£8,750 (item 3)

Contact Details	
Bid author:	Peter Whitehouse, Nottingham City Council, <a href="mailto:Peter.whitehouse@nottinghamcity.gov.uk">Peter.whitehouse@nottinghamcity.gov.uk</a> ; and Cliff Dean, Nottingham City Council, <a href="mailto:cliff.dean@nottinghamcity.gov.uk">cliff.dean@nottinghamcity.gov.uk</a>
Bid sponsor:	Simon Salmon, Nottingham City Council, <a href="mailto:simon.salmon@nottinghamcity.gov.uk">simon.salmon@nottinghamcity.gov.uk</a>
Document version: 1.5	

<b>Project Name</b>	○ <b>Civic Centre: EDMS rollout</b>
<b>Project Sponsor</b>	○ <b>Mansfield District Council</b>
<b>Partner Authorities Involved</b>	<b>HMRC &amp; potentially Nottinghamshire County Council</b>

### Project Description

- Provide a brief description of the project

Mansfield District Council (MDC) is keen to promote partnership working by bringing together key service providers within the district to provide an integrated service provision for its residents and ensure that the public has access to a comprehensive range of services from a single hub.

In order to achieve this, MDC is in the process of rationalising its existing accommodation at its headquarters at the Civic Centre, with a view to releasing space to be able to bring in partner organisations; The Mansfield operations of Her Majesty's Revenues and Customs (HMRC) has recently re-located to the Civic Centre and discussions are ongoing with Nottinghamshire County Council (NCC) regarding various options to relocate some of their Social Services and Registrar's Services to the Civic Centre, following their own review of office accommodation countywide.

A project involving internal space remodelling, a new IT system to facilitate more efficient working and roll – out of a Corporate Electronic Document management system (EDMS) is currently being developed; all these will lead to sufficient space release to be able to accommodate NCC Services, thus assisting the Council with moving towards its aims of enabling the creation of integrated services with NCC, HMRC and other partner organisations.

This application for funding relates to the EDMS element of the office accommodation only.

The use of EDMS in one of Council's departments (Revenues and Benefits) has already helped release sufficient floorspace, for the Council to be able to let out the freed up space to HMRC.

Currently most of the departments in the Council use a paper based filing system. Filing and storage takes up at least 732m<sup>2</sup> of useable office floorspace which roughly equates to 73 desk spaces, and could potentially be worth around £120,000 in revenue income (or savings to the council). Paper storage could be removed through the use of EDMS. The software for EDMS has already been purchased from Northgate for use by the Revenues and Benefits department. The most cost effective option would be to roll out this software, and the in – house expertise that has been developed in managing the EDMS, to other departments. The total (capital) cost of the project is as follows:

<b>EDM implementation: Expenditure - capital</b>	<b>£</b>
Upgrade of EDM for corporate deployment	40,000
Services from Northgate to implement EDM	27,000
Servers: Storage Attached Network (SAN) & backup device + Tape Drive	84,870
3 Mid Range Scanner - Fujitsu fi-6770 @ £5062 each	15,186
<b>Total costs for setting up EDMS infrastructure</b>	<b>167,056</b>

- local authorities where this project has been previously successfully implemented.

The Northgate (Anite) EDMS system has been used in the following Local authorities:

**Peterborough Council** has scrutinised and monitored their EDRM system, to identify where improvements and efficiency savings were being realised. The council is saving £100,000 a year on administrative and clerical costs, from a reduction in the number of staff. Reduced paper use and savings around copying, archiving and waste handling will save approximately £25,000 a year. Removing paper files has reduced the amount of office floor space needed within revenues and benefits by around 10%. Freed from the need to access paper files, the counter and call centre customer services staff have now been moved to more accessible locations and unified around one central point. This has saved a further £80,000.

Reduced CO2 emissions due to lower paper and printer use are saving around five tonnes of CO2 each year. The EDRM system has also allowed the council to offer an improved package of home and flexible working to staff, helping Peterborough meet its family-friendly working commitments.

**Reading Borough Council** introduced Northgate's Electronic Document Management System (EDMS) to cut costs by reducing the need for paper and file storage. The system has also delivered a range of additional benefits, such as productivity improvements and better management of workloads and workflow. The EDMS system also has an important part to play in enabling more flexible working.

Claire Thompson, IT Project Manager, says: *“One of the major objectives of the project was to free up office space. So naturally the areas that have a lot of paper files were targeted first. The council is already saving more than £30,000 a year on cupboard storage space in its offices – or the equivalent desk space for 12 employees.”*

- Summarise service delivery benefits that have been realised from previous implementation of this project or similar.

**Accommodation benefits:** Substantial accommodation savings has been made by implementing EDMS at the Council's Revenues and Benefits section. 12,000 paper files have been converted to electronic files; the space released by removing paper files (around 35 sq. m) has partly enabled a few departments to re-organise themselves and release space to accommodate HMRC.

**Staff Time / Administrative Savings:** Independent research from companies such as the 'Gartner Group' suggests that one of the greatest savings of implementing a corporate EDM solution is in administration and staff time:

- An average worker spends 6-10 hours per week searching for information in e-mail, documents, shared hard disks and filing cabinets. Without EDM workers can spend up to 16 hours per week on document related tasks (or around 40% of their work time)
- Statistics show staff spend on average 10% of their time looking for information.
- Workers succeed in their information searches only 50% of the time. This results in reproducing information that already exists.

- The average document is copied (physically or electronically) 9 – 11 times at a cost of around £9.
- 1 in 10 paper documents are a problem being either lost or misfiled
- The average office worker makes 61 trips per week to the fax machine, copier and printer.
- The handling costs of documents are around 6% - 15% of all revenue of a company. Statistics also show that 85% of all archived documents never leave their filing cabinets.

All of the above could be reduced via the implementation of a Corporate EDMS system. At MDC Revenues and Benefits Section, the conversion of 12,000 paper files to electronic files has substantially reduced application processing times from 4-5 days to 1-2 days. Data retrieval and customer response times are much faster thus leading to improved customer service. Administration costs have reduced due to reduced file processing times and elimination of paper files.

### Outline Benefits

- Cashable benefits (to be supported by a mietool or other comparable ROI tool calculation)

The main cashable benefits include:

Revenue savings due to income from releasing/ letting 732m <sup>2</sup> of useable office floorspace by removing paper storage, using MDC's current recharge rate of £165/sqm (subject to achieving appropriate lettings)	£120,780
Revenue savings due to income from releasing/ letting an additional 928m <sup>2</sup> of useable office floorspace released as a result of internal remodelling, using MDC's current recharge rate of £165/sqm (subject to achieving appropriate lettings)	£152,120
Revenue savings from reducing 5 Konica C360 printers (from 19 to 14) in anticipation of reduced printing requirements due to EDMS implementation	£5,350
Revenue savings from staff time saved as a result of implementing EDMS	£261,450
<b>Total quantifiable income/ saving per annum</b>	<b>£540,700</b>

- ROI calculation

$$\text{ROI} = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

<b>Cost of Investment</b>	<b>£ 167,056.00</b>
<b>Income/ Savings</b>	<b>£</b>
Rent (1) (from EDMS generated space)	120,780.00
Rent (2) (from internal space rationalisation)	153,120.00
Printer reductions	5,350.00
Staff time saved	261,450.00
<b>Total Income / Savings</b>	<b>540,700.00</b>

Gain over 2 years

1,081,400.00

**ROI**

**1: 5.47**

• **Other Benefits**

**Administrative benefits:** The tables below illustrate the potential savings in staff time that could be realised through the implementation of the proposed solution at MDC:

Assumptions used

- Average wage: £18,000 with on costs
- 37 Hour working week
- 300 Staff
- Average times for retrieval, filing and searching for documents

**Manual System**

	Time Taken (Mins)	Average Salary	Number of Users	Total Cost (Daily)	Total Cost (Annual)
Search	15	£18,000	300	£702	£182,416
Filing	5	£18,000	300	£234	£60,810
Retrieval	5	£18,000	300	£234	£60,810
				<b>£1,170</b>	<b>£304,036</b>

**Electronic System**

	Mins	Avg Salary	Users	Total Cost (Daily)	Total Cost (Annual)
Search	3	£18,000	300	£140.33	£36,486
Filing	0	£18,000	300	£0	£0
Retrieval	0.5	£18,000	300	£23.39	£6,081
				<b>£163.72</b>	<b>£42,567</b>

**Summary**

	Manual	Electronic	Difference
Total Cost (Days)	£1170	£163.72	<b>£1,006.28</b>
Total Cost (Annual)	£304,036	£42,567	<b>£261,469</b>
Staff Time (Hours)	32,500	4,550	<b>27,950</b>

Based on the assumptions above it can be seen that implementing this proposal could potentially deliver significant cost savings in excess of £250,000 and 27,950 staff hours each year.

**Improved access to information / remote working**

Corporately information is stored either in paper formats or stored on shared drives. This can be costly due to numerous copies of the same document being stored on servers as well as restrictive in terms of home or mobile working.

EDM is the foundation required for delivering new and more flexible ways of working and complies with GCSx requirements for accessing the systems through a Citrix connection. With an EDM solution all documents would be held centrally on a single system.

**Improved customer services**

With EDM, information is held centrally on a single system allowing quick retrieval through simple search criteria. This would allow a single customer's details to be viewed across departments facilitating a more efficient CRM system and allowing the sharing of information where permissible throughout the authority. The benefits of this would be reflected in the following ways:

- Faster customer response times with customer files accessed directly from any networked PC.
- Improved working and sharing of information between departments
- No lost or misplaced documents delaying a customer response or query

### **Business continuity / Disaster Recovery / Security / Compliance**

All data is backed up on a nightly basis to provide an effective disaster recovery solution. In this proposal a second SAN will be provided which will act as an offsite duplicate of the system for use in disaster recovery and business continuity planning.

Any documents held on the system will comply with BSI BIP008 for legal admissibility. A full audit trail is also provided for all document transactions.

An EDM solution will allow access to documents to be controlled at the folder and/or document level for different groups and individuals. This will provide an effective security control as to what level of access individuals will have to specific systems and documents.

### **Document lifecycle management**

A document retention module will allow the control of documents held within the system and purge documents automatically once a pre determined retention date has been reached. This will ensure documents are destroyed in compliance with the corporate retention policy and maintain adequate storage space on the servers for future documentation.

- Payback period

Total costs for setting up EDMS infrastructure: £167,056

**Option 1:** Payback calculated on the basis of direct benefits to be gained from implementation of EDMS:

Total income/ savings in Year 1 (as a direct result of implementing EDMS): £126,130  
**Payback period: 1.32 years**

**Option 2:** Payback calculated on the basis of overall benefits to be gain from the overall accommodation rationalisation, which includes EDMS:

Total income/ savings (as a result of a combination of a number of actions including EDMS, internal remodelling and staff savings): £540,700

**Payback period: 0.3 years**

### **Outcome milestones and spend Profile**

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Upgrade of EDM	31.09.11	40,000
Services from Northgate to implement	31.03.12	27,000

EDM		
Purchase and install Servers: Storage Attached Network (SAN) & backup device + Tape Drive	31.09.11	84,870
3 Mid Range Scanner - Fujitsu fi-6770 @ £5062 each	31.09.11	15,186
Training / Rollout	31.03.12	0
Achieve paper "lite" environment	31.06.12	0

<b>Project Name</b>	○ <b>Business Transformation – Developing our System Approach – CCTV</b>
<b>Project Sponsor</b>	○ <b>LIEP (South Kesteven DC)</b>
<b>Authorities Involved</b>	○ ▪ <b>Boston D C and City of Lincoln DC</b>

### Project Description

- This project will assess the potential to jointly deliver a comprehensive CCTV service across 3 partner authorities. Outputs will include the identification of technical upgrades, potential procurement efficiencies, optimised staffing arrangements and operational practices based on lean principles.

The initial phase of the project will require specialist advice on control room connectivity and the identification of specific hardware upgrades.

Similar projects have been carried out with local authorities, which have led to several control rooms being linked and managed through one site. Each authority is unlikely to wish to see a significant reduction in the quality of current service provision.

Preliminary work has already commenced, opening dialogue across the authorities developing the recognition and appetite for change.

Similar projects have been undertaken by the Hertfordshire CCTV partnership and Sussex Police. In the case of Hertfordshire, camera feeds from East Herts, North Herts, Hartsmere Council and Stevenage Borough Council are all relayed to a control room located in Stevenage. The Sussex Police scheme consists of two control rooms located at Haywards Heath and Brighton. This particular scheme has two control rooms co-located with the Police Force HQ, images from 17 Towns/Cities within the County are displayed at the monitoring centres. The Police are the primary authority in this particular instance.

### Outline Benefits

**Cost Savings-** Each Authority has identified the desire to explore the options around significant and sustainable savings from each respective CCTV service. Key areas for financial savings include optimisation of staffing support, procurement of data transmission and maintenance contracts.

### Service delivery benefits anticipated from this project

**Efficiencies-** Working practices within each authority vary from one authority to another, and as a consequence, the Police have different processes to follow when dealing with each LA in relation to CCTV. The development of a single set of 'lean' processes will improve service provision and reduce 'waste' in the system. The

process of harmonisation and simplification should assist the Police with follow up activity.

**Effectiveness-** There is no statistical evidence to prove that a monitored CCTV system reduces crime within a location - however it does support the case from an evidential perspective. This project will include the collation of outputs and outcomes i.e. amount of incidents, amount of resulting arrests, evidential bundles seized etc. to aid in future evaluation of the impact of CCTV services.

**Service delivery benefits realised from other projects** - implementation of earlier systems projects.

#### **Waste Management - Boston**

- 6% decrease in the number of reported missed bins,
- Over 100 fewer black bags fly tipped
- 70% reduction in the amount of side waste left out,
- fewer vehicle breakdowns
- Evenly distributed collection rounds across the different crews.
- Potential savings of some £339k have been identified

#### **Planning service systems - Lincoln and South Kesteven.**

- Reducing the time taken for new planning applications, typically 33 days in Lincoln and 35 days in South Kesteven.
- 'discharge of conditions' improved
- Better joined-up working between services.
- Lincoln has identified £77k a year cashable efficiency savings and South Kesteven £113k.

#### **Revenue and Benefits - Lincoln City, North Kesteven, West Lindsey and South Kesteven.**

This involved two separate projects redesigning and improving the revenues and benefits services in four District Councils and investigating the possibility of delivering a shared service between three Councils.

- Benefits advisers are now at the front end of the process complete applications with the customer either face-to-face or on the telephone.
- Processing times have been reduced (typically by half) by redesigning the service.
- Redesigned services have been able to meet increased demand from the economic downturn, for example, South Kesteven has been able to absorb a 30% increase in workload without increasing staff.
- Two (Lincoln and NK) councils are now working on implementing a shared service and a manager has been seconded to head up this shared service. They will also procure a shared IT service. These improvements are anticipated to produce savings of approximately **£400,000.**

System interventions previously undertaken by South Kesteven, the focus has been to deliver a redesigned process, which adds value to the customer experience. There have been efficiencies demonstrated through simplification of processes and reduction in failure demand.

ROI has not yet been carried out on this project. The identification of significant cashable savings is the core objective for all partner authorities. Notional payback period for the sums identified below would be within year 1 of the new service commencing. The initial work funded by this project will generate ongoing savings.

On successful delivery this project will provide a co-ordinated service across at least three local authority districts (possibly four as SKDC & Lincoln already provide a service to North Kesteven), creating a single point of contact for Lincolnshire Police. This would also provide an operational platform for further development of service in partnership with the Police authority.

From our experience, so far we can be confident of generating cashable savings and producing a robust operational platform for further transformation and income generation. From the three service areas outlined above we can demonstrate:

<b>Intervention</b>	<b>Cost £'000</b>	<b>Potential savings a year £'000</b>	<b>ROI over 5 years</b>
Waste Mgt	46k	339k	36:1
Planning (Linc)	43.6k	77k	9:1
Planning (SK)	50k	113k	11.1
Revs and Bens (Lincoln/NK)	140k	£400k	14:1

### **Outcome milestones and spend profile**

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Technical assessment completed	31 July 2011	£5,000
Business case developed with delivery plan	30 September 2011	
Receive Partner commitment to sharing arrangement	31 October 2011	
Upgrade of control room and related equipment	28 February 2012	£50,000
Commencement of new service design	1 April 2012	
<b>Total Bid</b>		<b>£55,000</b>

## Regional Project/Decent & Safe Homes



Project Name	<ul style="list-style-type: none"> <li>○ EMLAS – East Midlands Accreditation Scheme</li> </ul>
Contact Details	<ul style="list-style-type: none"> <li>○ Linda Selvey – <a href="mailto:Linda.selvey@derby.gov.uk">Linda.selvey@derby.gov.uk</a> <ul style="list-style-type: none"> <li>▪ Decent &amp; Safe Homes Project</li> </ul> </li> </ul>

### Background

Stock condition surveys show that private sector housing is in a worse condition than public sector housing. They also show that private rented housing is in inferior condition to owner-occupied properties.

Marmot's Strategic Review of Health Inequalities in England post-2010 – 'Fair Society, Healthy Lives' – found that

*'...Bad housing conditions – including homelessness, temporary accommodation, overcrowding, insecurity, and housing in poor physical condition – constitute a risk to health [and] suggested that children in bad housing conditions are more likely to have mental health problems, such as anxiety and depression, to contract meningitis, have respiratory problems, experience long-term ill health and disability, experience slow physical growth and have delayed cognitive development. These adverse outcomes reflect both the direct impact of the housing and the associated material deprivation.'*

Any action taken to help raise the standard of housing in the private rented sector is therefore going to have a significant effect on the lives of the occupants. Such action will also produce real cost benefits for the NHS, local authorities and emergency service/care providers.

### **What can be done to address health hazards in private rented sector accommodation?**

In recent years, local authorities have begun to develop closer working relationships with individual private landlords and their representative bodies. For local authorities, working more closely with landlords enables them to support landlords in raising

property conditions in the sector. For landlords, it can provide better access to information pertaining to their obligations and rights in relation to tenants, and also provides help in dealing with tenancy problems that may arise.

Initiatives such as **landlord accreditation schemes** are vehicles for local authorities to promote closer working relationships with landlords in their areas and provide an avenue for the self regulation of the sector. Self regulation of the PRS in some boroughs of London through the London Landlord Scheme has proven to increase the quality of housing available and the tenants' quality of life.

Accreditation schemes are relatively low cost to local authorities when compared to enforcement action. Accreditation seeks to acknowledge, actively promote & encourage landlords to improve the management and condition of their private rented houses, thereby reducing hazards to the health of the occupiers.

Successful Accreditation schemes concentrate on both property standards and landlord development. The development aspect of accreditation is provided through compulsory continual professional development training and is produced in consultation with landlords and local authorities to ensure it is current, relevant and accurate.

The vision is that tenants will routinely seek to occupy properties owned by accredited landlords because they are guaranteed a certain (good) standard of accommodation and property management.

Consequently, the demand for properties provided by non-accredited landlords whose property conditions have not been verified will fall, such that landlords will be forced to carry out improvements and gain accreditation, leave the market or reduce their income.

### **EMLAS Project Description**

The 'East Midlands Landlord Accreditation Scheme' (EMLAS) is a regional project managed by the Decent and Safe project and is hosted by Derby City Council. EMLAS gives every local authority in the East Midlands an opportunity to deliver a high quality, low cost accreditation scheme in their area.

In order to become accredited a landlord needs to comply with the following:

- Self Declaration of their intention to comply with the conditions laid out in the scheme
- Fit & Proper Person Check
- Property Inspection (minimum 10% of portfolio)- The property must meet legal minimum standards and comply with the fire guidance recommendations contained in the industry leading LACoRS (now Local Government Regulation) fire safety guide. A greater percentage of the applicants property portfolio will be inspected if the initial sample proves to be substantially sub-standard.
- Landlord development training, based on the industry leading Landlord Development Manual

EMLAS currently works with a range of partners, some of whom include:

- Fire & Rescue Services
- Police
- Landlord Associations
- Universities and higher education establishments
- Local Authorities:
  - Choice based letting schemes
  - Homeless teams
  - Enforcement teams etc..

EMLAS provides Local authorities with a hugely efficient means of delivering accreditation as it allows for the centralisation of core services, economies of scale for procurement and avoids the duplication of work.

Each local authority in the East Midlands financially contributed to the establishment of EMLAS during 2010-2011 via the top slicing of each authority’s regional housing allocation budget. EMLAS received a total investment of £112,500 during 2010-2011. This money has enabled EMLAS to attract and assist nearly 1000 landlords across the region to date.

Table 1 shows there is a clear need for accreditation within the East Midlands, and the steady uptake of the scheme by landlords indicates that both local authorities and landlords support and buy into the concept of, and need for, accreditation.

Table 1

<b>Number of EMLAS Members</b>	<b>Number of properties registered</b>	<b>Number of accredited landlords</b>	<b>Approximate number of Landlords Trained</b>
<b>976</b>	<b>6,364</b>	<b>330</b>	<b>603</b>

In addition to the figure of £112,500, local authorities and other partners also financially support EMLAS in a number of different ways, some of which are listed below:

- |                            |  |
|----------------------------|--|
| Derby City Council         | Heavily discounted office space                      |
| Derby City Council         | Administrational support including wages, HR etc.    |
| Northampton Council        | 1 x part time property inspector (8 months)          |
| Charnwood Council          | 1 x part time property inspector (6 months)          |
| Loughborough University    | 1 x training event including food                    |
| East Midlands Fire Service | free speakers, literature & promotional material     |
| Chesterfield Council       | Officer time for the establishment of steering group |
| West Lindsey Council       | Free use of venue & refreshments for training days.  |

During the last 12 months and in order to achieve the success illustrated in table 1, EMLAS has worked closely with 17 local authorities. Partnership working has been particularly strong in Charnwood Borough Council and Northampton Borough Council.

Tables 2 and 3 show the success that this increased partnership work has resulted in.

Table 2

Charnwood Borough Council

<b>Number of EMLAS Members</b>	<b>Number of properties registered</b>
<b>268</b>	<b>717</b>

Table 3

Northampton Borough Council

<b>Number of EMLAS Members</b>	<b>Number of properties registered</b>
<b>202</b>	<b>632</b>

EMLAS now has formal partnership arrangements in place with 17 local authorities in the East Midlands & we are looking to develop the scheme in 7 more East Midlands Local Authorities:

By working closely with 7 specific local authorities the aim is to emulate the success, enthusiasm & cost savings already produced elsewhere and particularly those seen in Charnwood and Northampton.

**Project Bid**

EMLAS now has formal partnership agreements in place to work in 7 more local authority areas these being:

- Nottingham
- Bassetlaw
- West Lindsey
- Mansfield
- Amber Valley
- Wellingborough
- Kettering

The aim is to increase the number of EMLAS accredited landlords in these areas by 30% over a 12 month period. This will be done by:

- Holding an event to launch the scheme to landlords
- Advertise & promote the scheme to landlords and local authority officers

- Working closely with each of the 7 local authorities to identify key benefits, discounts and incentives that accredited landlords can take advantage of
  - Carrying out more property inspections
  - Producing more Property Improvement Plans
  - Providing more landlord development training days
  - Providing additional informative literature
- By achieving our aim of accrediting an additional 99 landlords EMLAS will provide local authorities with a large efficiency saving, a better housing stock, healthier and safer citizens and a pool of properties that councils may choose to safely utilise to address their homeless priorities.

### **Estimated Cashable Benefits of the Bid**

- 1) It is estimated that should a local authority wish to deliver their own accreditation scheme, it would cost in excess of £80,000 per authority. To deliver a cross boundary scheme for the 7 local authorities identified above therefore makes sound financial sense & produces a potential cost saving of £560,000.
- 2) When a landlord applies to join EMLAS, a minimum sample of 10% of their property portfolio is inspected to see if they comply with the schemes' requirements. Where standards are not met, a Property Improvement Plan (PIP) is produced that identifies any remedial work required to bring the property up to standard.

By negotiating, encouraging and providing landlords with real benefits they are often prepared to rectify these hazards in order to gain accreditation.

If it was not for the work of EMLAS, these properties would probably remain in their present condition. The local authority would only have reason to visit and assess the property if a complaint was received from a tenant. Tenants are often reluctant to report issues for fear of eviction so continue to live in dangerous conditions. In addition, tenants may not be aware that a hazard exists or be familiar with legislative requirements.

The links between housing and health are well documented; The Chartered institute of housing calculated the potential cost savings to the NHS and local communities if certain hazards were identified and removed from a property before an incident could occur.

The average cost to the NHS, social services and communities resulting from 'falls on stairs', 'excess cold' & 'damp & mould' (as categorised under HHSRS) is £17,900

As demonstrated in table 1, EMLAS has already accredited 330 landlords. A minimum of 330 property inspections have therefore been completed. It is estimated that approximately 42% of these properties would have at least one of the defects outlined above. Extrapolating the data from above, this would result in a potential saving of £2.4 million to the NHS, social services and wider community groups.

The aim of this bid is to increase the number of EMLAS accredited landlords by 30% therefore a minimum of 99 inspections will be completed across 7 local authorities, thus producing a potential saving of £744,282 in these areas

Furthermore, several EMLAS landlords are encouraged to *exceed minimum legal housing standards* which in turn are likely to bring additional health gains & savings. This higher standard can only be achieved through voluntary compliance.

- 3) As mentioned previously, EMLAS provides landlords with training, guidance information, conferences and events to help improve their knowledge and understanding of the PRS – all of which would normally be provided directly from local authority budgets.

By producing and providing these facilities centrally, EMLAS provides large efficiency savings for local authorities as discounts can be negotiated, venues shared and costs reduced. Taking into account shared office space & shared training/literature costs this could result in a direct saving of £100,323 over the 3 year period across the new 7 local authority partners.

This centralised model also ensures information is disseminated in a standardised manner, reducing the scope for confusion and differing interpretation of information and the duplication of work.

- 4) By working informally with private sector landlords, EMLAS has managed to alleviate pressure on local authority housing enforcement teams by providing advice, assistance & property visits that would ordinarily have been provided by the enforcement team. This allows the Housing Standards/environmental health teams to focus on dealing with the persistent ‘rogue’ landlords’ whose properties are more likely to represent an imminent danger to tenants.

In one local authority the potential of having a centralised accreditation scheme instead of an in-house scheme has resulted in the reduction of staff by 1.5 FTE. The staff savings for the development of EMLAS into the 7 new local authority areas is not predicted to reduce the number of staff within the 1<sup>st</sup> year but as the financial pressures placed upon councils increase, EMLAS could provide an option to streamline council services in the future.

**Table 4**

£000's	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	Total
Costs	(8,740)	(47,165)	(47,392)	(48,695)	(50,034)	(202,027)
Benefits	7,768	555,918	798,700	224,717	230,897	1,818,001
Cashflow	(972)	508,753	751,308	176,022	180,863	1,615,975
Cumulative payback	(972)	507,781	1,259,090	1,435,112	1,615,975	

Table 4 - The predicted savings detailed above for the development of EMLAS over 7 local authority areas were entered into Mietool version 2.0 and the table below shows that the project will make sound savings and is predicted to break even in year 2. This Mietool calculation produces a net present value (NPV) figure of £1,508,305 therefore a ROI of 16:1 is calculated over a 5 year period. In the first 2 years of the project the ROI is calculated at 7:1

In order to illustrate that EMLAS has a proven track record of providing efficiency savings in more than 5 local authorities the cashable savings detailed in section 5 were entered into Mietool version 2.0. Table 5 shows the costs savings generated by EMLAS in 17 local authorities in which EMLAS currently operates.

**Table 5**

£000's	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	Total
Costs	(62,838)	(24,676)	(25,354)	(26,051)	(49,357)	(188,276)
Benefits	145,216	598,476	614,934	631,844	618,725	2,609,194
Cashflow	82,377	573,800	589,579	605,793	569,368	2,420,918
Cumulative payback	82,377	656,177	1,245,757	1,851,550	2,420,918	

Table 5 highlights that EMLAS has a proven track record, makes sound savings and breaks even in year 1. This Mietool calculation produces a net present value (NPV) figure of £2,229,714 therefore over a 5 year period the ROI is 19:1. In the first 2 years of the project the ROI is 5:1

**Future Income Streams**

- Once established in the new 7 local authority areas EMLAS is able to provide landlords with a quality accreditation product which they strive to be part of & are willing to pay for. EMLAS will then not be solely reliant on grants and therefore allows the project to become self funding.
- Once tenants routinely seek to occupy properties owned by accredited landlords, landlords themselves will see accreditation as a means of accessing these tenants. This will allow EMLAS to implement a charge to landlords for becoming accredited.

By increasing the number of properties we can inspect, this increases accreditation numbers which in turn drives the scheme to become a chargeable service - accreditation then becomes self sustainable.

Implementing charges for accreditation is a relatively new concept and therefore the predictive success is unknown. However, if during the first 2 years of implementing a charge to landlords any profits are accrued (up to the bid amount) there is the option for them to be paid back to the RIEP in return for investing in EMLAS at an early stage.

## Outcome Milestones & Spend Profile

Outcome Milestone	Anticipated completion delivery date	Funding payment profile
<p>Develop EMLAS in 7 more local authority areas</p> <p>Consult with relevant parties &amp; write an action plan to develop EMLAS in 7 local authorities namely:</p> <ul style="list-style-type: none"> <li>➤ Nottingham</li> <li>➤ Bassetlaw</li> <li>➤ West Lindsey</li> <li>➤ Mansfield</li> <li>➤ Amber Valley</li> <li>➤ Wellingborough</li> <li>➤ Kettering</li> </ul>	September 2011	➤ £5,000
<p>Increase number of landlords accredited in at least 50% of the above areas by at least 20%</p> <ul style="list-style-type: none"> <li>➤ Employ Officer to carryout inspections &amp; develop local landlord benefits offered</li> <li>➤ Conduct launch event</li> <li>➤ Conduct more training sessions &amp; produce additional promotional material</li> <li>➤ Provide landlord incentives</li> </ul>	Within 6 months of bid being successful	<ul style="list-style-type: none"> <li>➤ £35, 800</li> <li>➤ £1,000</li> <li>➤ £6,000</li> <li>➤ £2,400</li> </ul>
<p>Continue to Increase the number of landlords accredited by a further 10% using the methods described in above</p>	Within 12 months of contract starting	➤ £39,800
<p>Total -</p>		➤ £90,000

<b>Project Name</b>	○ <b>Lincolnshire Local Letting Agency &amp; its further development</b>
<b>Project Sponsor</b>	○ <b>DASH via Derby City Council</b>
<b>Partner Authorities Involved</b>	West Lindsey District Council, City of Lincoln Council North Kesteven District Council.

### Background

- Local Letting Agencies (LLA) match good landlords, good properties and good tenants & can go onto reinforce this relationship by providing a property management service. The activities of a LLA can mirror the activities of a traditional/commercial letting agency, however LLA's offer their services mainly to people in housing need.

During 2010-2011, with assistance from the Regional Improvement & Efficiency Partnership (RIEP), the Decent and Safe Homes (DASH) project successfully implemented a local letting agency within Derbyshire.

DASH is currently successfully working in partnership with the following local authorities in delivering the Derbyshire LLA service:

- Derby City Council
- South Derbyshire District Council
- Erewash Borough Council
- Amber Valley Borough Council

During the EM IEP sponsored phase of the project DASH and our partner Derventio Property Management Service have been able to successfully work with 100 properties across the 4 local authority areas stated above. 100+ property inspections have now been completed driving an increase in property standards in the area. It is also interesting to note that 33+ properties have been referred to the LLA via local authority empty homes teams thus offering a real solution to owners of empty property.

Table 1

£000's	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	Total
Costs	(25,002)	(73,288)	(5,349)	(324,269)	(333,186)	(761,095)
Benefits	-	216,462	902,014	926,819	952,307	2,997,602
Cashflow	(25,002)	143,174	896,665	602,550	619,120	2,236,507
umulative payback	(25,002)	118,171	1,014,836	1,617,387	2,236,507	

The above table shows that the Derbyshire project breaks even in year 2. It also shows the project has a proven track record in more than one authority, shows significant savings have been generated & strong evidence exists to replicate and further the delivery area. The Mietool calculation produces a net present value (NPV) figure of £2,033,370 therefore a ROI of 10:1 is calculated over a 5 year period.

Some of the Derbyshire LLA service delivery benefits:

- Building trust between tenants and the Private Rented Sector (PRS) and between Landlords & the social sector
- Housing vulnerable and at-risk households in well managed, decent homes
- A potential saving of approximately £490,000 to the member local authorities as tenants are placed in the PRS instead of costly temporary accommodation
- Cost saving associated with the removal of hazards in the home
- Preventing & reducing homelessness
- An increase in, and expansion of, housing options and housing choice into the PRS
- Supporting sustainable tenancies & communities.
- Links to other priorities such as area regeneration, reduction in anti-social behaviour, community cohesion, education, training etc.
- Assurance that public monies, via Housing Benefit/Local Housing Allowance (LHA), are expended on decent and safe homes under responsible management
- Profits can be recycled into the delivery of landlord and tenant support services
- Bringing 'Empty Homes' back into use and the future potential of working with local authorities where an Empty Dwelling Management Order (EDMO) has been served
- Opportunity to work with community groups/charitable organisations to initially renovate properties and provide ongoing maintenance – providing training opportunities for apprentices
- Efficiency and value for money in developing a cross-boundary/region-wide model

## **Project Description**

Due to the success of the Derbyshire LLA and the strategic cross boundary nature of DASH, we are currently working with three Lincolnshire local authorities to implement a local letting agency in their Housing Market Area (HMA).

A tender document has been produced and a partner selected to carry out the property management aspect of the proposed LLA. Initially, DASH will work with the Lincoln HMA to run a pilot project examining the effectiveness of the core procedures and to tailor the model to this specific area.

In addition to the provision of good quality accommodation for vulnerable tenants in housing need, the Lincolnshire local letting agency is also designed as a vehicle to bring empty

homes back into use. We will be working closely with Lincoln’s sub-regional empty homes service from the outset to ensure this is fully explored.

The 3 local authorities have contributed to the project by funding a scoping exercise, consultation event, officer time, venue for landlord training and paying for and facilitating the formal tender process.

Due to the success in Derbyshire and the predicted success in Lincolnshire, it is envisaged that DASH will continue to develop the model across the East Midlands. DASH is currently working with Northampton Borough Council on their LLA to ensure that a focus is maintained on property standards in the PRS. Chesterfield and Bolsover councils are also keen for DASH to assist them in developing a similar model in their area.

**Outline Benefits**

Table 2

Housing option	Cost to Secure the Tenancy	Support Cost	Total Cost
Temporary Accommodation (Hostel)	£0	£7,800	£7,800
Housed in Private Rented Sector via local letting agency	£1,600	£1,300 (if needed)	£2,900

Table 2 shows a unit saving for local authorities from using a private rented access scheme instead of temporary accommodation is **£4,900** per tenancy.

The Lincolnshire LLA will house tenants from the local authority housing register, some of whom may be housed in costly temporary accommodation due to the nature of the statutory obligations placed on the local authority. This project also relieves pressure on the housing waiting list, helping to ensure that families in genuine housing need can access it more quickly.

The pilot scheme will create:

- Set Up Phase      6 properties      - (5 months),
- On-Going Phase    25 properties year 1 – (31 tenancies in total)
- 25 properties year 2 – (56 tenancies in total)
- 25 properties year 3 – (81 tenancies in total)

This shows that after year 3 a total of 81 extra properties will have been added to the local letting agency. However this is a very conservative figure and a much larger number of properties are anticipated.

Based on the figures in table 2 adding 81 properties, which can be utilised as accommodation by vulnerable clients, will result in a saving of £396,900 across the 3 local authorities.

As mentioned previously stock condition surveys show that private rented accommodation is in worse condition than both public sector and owner occupied property. The LLA project identifies the need to monitor the condition of any properties utilised. The financial and non-financial benefits achieved from housing a tenant in a safe, decent and well managed home are significant.

DASH and the relevant local authority will conduct property inspections for each tenancy created and assist property owners to identify and rectify hazards in the home that could result in harm being caused to the tenants.

The links between housing and health are well documented; The Chartered institute of housing calculated the potential cost savings to the NHS and local communities if certain hazards were identified and removed from a property before an incident could occur.

It is assumed that the average costs resulting from 'falls on stairs', 'excess cold' & 'damp & mould' (as categorised under HHSRS) is a total of £17,900.

From the 100 inspections recently carried out by DASH, a total of 42 hazards of this type were identified (42%). Using this information and our knowledge of the housing stock in Lincolnshire, it is assumed that 42% of the 81 properties added to the Lincolnshire LLA will also have these hazards present. By working with landlords and assisting them to address such issues swiftly, a potential saving of £608,958 for the NHS could theoretically be achieved. Also worthy of note is that local authorities are taking over responsibility for certain aspects of NHS budgets. Some of these cost savings will therefore be transferred into direct local authority savings.

By working informally with private sector landlords and alongside accreditation schemes, such as EMLAS, as well as other private rented access schemes, DASH has managed to alleviate pressure on Local authority housing enforcement teams. This allows the Housing Standards/Environmental Health teams to focus more of their resources on dealing with the persistent rogue landlords in the area.

As mentioned previously, the Lincolnshire LLA is being developed as an integral part of their empty homes strategy. It is estimated that the approximate cost to the council of one property being left empty is £7,000 per year. This figure includes loss of council tax revenue, increase in emergency service call outs, increase in ASB, crime etc that is associated with empty homes. By assisting 81 landlords over 3 years to bring their properties back into use this equates to a saving of £567,000.

### Table 3

The Lincolnshire Local Letting Agency savings were entered into Mietool version 2.0 and the table below shows that the project will make sound savings and is predicted to break even in year 2. This Mietool calculation produces a net present value (NPV) figure of £1,283,815 therefore a ROI of 17:1 over a 5 year period and a 5:1 ROI after 2 years.

o

£000's	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	Total
Costs	(5,299)	(20,689)	(85,316)	(87,663)	(90,073)	(289,040)
Benefits	-	102,917	520,403	534,714	549,419	1,707,453
Cashflow	(5,299)	82,229	435,087	447,052	459,346	1,418,414
Cumulative payback	(5,299)	76,930	512,016	959,068	1,418,414	

The above Mietool calculation of £1.41mil in benefits created have been calculated using the forecasted cost savings generated by the project in West Lindsey, City of Lincoln & North Kesteven District Councils **only**.

### Further Development of the Model

In addition to these saving & depending on the success of the Lincolnshire pilot the project will be extended into a further 3 Lincolnshire local authorities:

- East Lindsey District Council
- Boston Borough Council
- South Holland District Council

Also due to the success of the Derbyshire Local Letting Agency we are also looking to develop the LLA model into 2 other Derbyshire/Nottinghamshire local authority areas. Having witnessed the success of the Derbyshire LLA a number of local authorities in Derbyshire and Nottinghamshire are keen to work with us on the model with Chesterfield, Bolsover & Mansfield Councils being particularly keen. A feasibility study will be conducted to assess which 2 authorities would be best placed and equipped to offer the best chance of continuing the success of the project.

The PRS market in all 6 local authorities stated above is fairly stable suggesting the following targets are achievable

Local Authority	Properties in Year 1	Properties in Year 2	Properties in Year 3
East Lindsey	5	5	5
Boston	5	5	5
South Holland	5	5	5
Chesterfield	3	3	5
Bolsover	3	3	5
Mansfield	5	5	5

Table 4

Table 4 shows a total of 82 properties will be added into the project and based on the figures stated in table 2 this equates to a total cost saving for the local authorities of

£401,800 over a 3 year period. As mentioned above this figure for the further development of the LLA is in addition to any savings already calculated in Mietool.

### Outcome milestones and spend Profile

Outcome Milestone	Anticipated completion delivery date	Funding payment profile
Arrange & pay for the necessary Insurance needed in Lincolnshire	July 2011	£5,000
DASH to inspect and produce PIP's for pilot properties	September 2011	£5,000
Work with Northampton Council LLA to ensure property standards are a key focus in their agency ➤ Carry out an additional 50 property inspections	August 2011	£5,000
Successfully completed pilot Study and achieved 6 properties	October 2011	
Conduct a soft launch in West Lindsey, Lincoln City & North Kesteven	October 2011	£1,000
Recruit 5 more landlords onto the Scheme: ➤ Promote scheme & offer incentives to encourage landlords to bring their properties ➤ Attend property forums, landlord events to advertise the scheme etc.. ➤ Carry out necessary property inspections	November 2011	£9,000
Sign a memo of understanding (or equivalent) to develop the LLA further Lincs authorities – East Lindsey, Boston & South Holland ➤ Due to logistics Investigate/research the potential need for a new partner to manage the properties ➤ Investigate any legal or local issues that may result in operating in these areas ➤ Conduct a consultation exercise ➤ Develop close working relationships with a range of partners who could provide tenancy support	November 2011	£20,000
Provide necessary training for the local authority staff who will be working on the project	November 2011	£5,000
Carry out property inspection in these areas	December 2011	£5,000
Sign a memo of understanding to develop the Derbyshire LLA further into 2 more authorities in Derbyshire/Nottinghamshire ➤ Conduct a feasibility exercise to assess which 2 local authorities would be best to work in ➤ Investigate/research the local market to identify any partners who could provide the property management element of the agency ➤ Investigate any legal or local issues that may result in operating in these areas ➤ Conduct a consultation exercise ➤ Develop close working relationships with a range of partners who could provide ongoing tenancy support	November 2011	£20,000
<b>Total</b>		<b>£75,000</b>

Project Name	Channel Shift – Radical Web Redesign
Project Sponsor	Northampton Borough Council
Authorities Involved	Northampton Borough Council, Northamptonshire County Council and discussions are ongoing with several other authorities who have expressed an interest.

**Project Description.**

- Increasing the transactional capabilities of websites is a challenge all local authorities are seeking to overcome in order to deliver efficiency savings whilst continuing to offer customers improved access to their local Council’s services.
- Council’s in Northamptonshire have enjoyed the benefits of Mosaic Insight data that has enabled them to understand how customers want to access their services. All councils have identified significant opportunities to increase take up of transactional web services.
- The traditional view of a local authority website is poor. The front pages are too “busy”, confusing the citizen and creating barriers to completing simple transactions. This in turn reduces the potential for take up of online services.
- Traditional local authority web content is managed through rigid software based Content Management Systems (CMS) and population of content is usually devolved through service areas, based on local government service lists – not what the customer is looking for. The current approach enables non technical officers to update content, but the CMS does not offer the capacity to design the look or the categorisation to reflect what our customers are actually looking for.
- Drupal is the No1 Open Source CMS used to define and administer websites. It offers a vastly increased level of functionality and usability over proprietary CMS systems, at a vastly reduced cost. Drupal is being promoted by Socitm as the logical next step for local authorities to advance their website ambitions. Drupal was also selected as the CMS of choice for the American government for use on <http://www.whitehouse.gov>. However the learning curve for Drupal is steep and as such leaves local authorities wanting to deploy Drupal needing to rely on expensive external consultants, negating the cost savings and not acquiring the skills themselves.
- Northampton proposes to create a shared, local authority specific Drupal deployment, fully documented, complete with templates and everything a fellow authority will need to deploy their own Drupal installation and achieve their website improvements and cost savings.
- The deployment of Drupal would enable all partner authorities to radically alter their web design approach in order to increase transactions through the web – much as Liverpool Council have done. Liverpool Council have taken a top twenty tasks approach and have seen an increase in web traffic of 400% whilst at the same time reduction in staff effort populating their web pages. It is this experience that potential savings for this project are based upon.

### Outline Benefits.

- A 50% reduction in annual costs to maintain a local authority intranet & internet (in the case of Northampton from £30k to £15k annually).
- Using learning from other trailblazing local authorities (Liverpool) and SOCITM (Society of IT Managers) in order to progress the project.
- Create a CMS instance specific for local authorities, with state of the art functionality and flexibility.
- Offer a fully documented Drupal installation for other local authorities to implement their own installations.
- Offer a shared service facility for other local authorities to host their websites on the same hardware, allowing for further cost savings.
- Create a centre of excellence in the East Midlands in terms of the Drupal skill-set to allow authorities to pool their technical resources, negating the need to authorities to require expensive external consultants.
- Increased use of Open Source instead of proprietary computer systems.
- Create a community development mentality where ongoing development by any authority is shared and benefits all involved.
- Creates cashable savings year on year where a third party supplier would usually charge for bespoke development work.
- No contract. Authorities that choose to deploy a site using Drupal are not tied in or committed in any way to any extra support or maintenance fee, merely the server costs which are considerably low than any fees charged by suppliers.

### Outcome milestones and spend Profile.

Mietool analysis shows a cashable saving of £1.1m over 10 years based on assumptions of at least two partners involvement (NBC and NCC). The return on investment is within two years. Learning can be captured from another local authority that has taken this approach successfully (Liverpool Council).

Outcome Milestone	Anticipated Completion delivery Date	Funding Payment Profile
Drupal Training Received	01/07/2011	£7,000
Additional Resources Hired	01/07/2011	£77,000
Internet Server Hired	01/07/2011	£8100
Internet Templates Created	01/11/2011	N/A
Internet Content Migrated	01/06/2012	N/A
Internet Documentation Completion	01/07/2012	N/A
Internet Instance	01/07/2012	N/A

Complete, available to other authorities		
Intranet Template Creation	01/10/2012	N/A
Intranet Server Purchase	01/10/2012	N/A
Intranet Content Migration	01/12/2012	N/A
Intranet Documentation Completion	31/12/2012	N/A
Intranet Instance Complete, available to other authorities	31/12/2012	N/A

Project Name	Mobile Framework
Project Sponsor	Northampton Borough Council
Authorities Involved	Northampton Borough Council & Daventry District Council, discussions are ongoing with several other authorities who have expressed an interest.

**Project Description.**

- Within the next two years research shows that the majority of internet access will move from traditional desktop computers to mobile internet devices (phones & tablets).
- Currently the vast majority of local authorities do not have websites and services available via mobile devices. A successful partnership exists with a number of London Boroughs. This project would develop from learning within that Partnership.
- This impending gap in service delivery is currently being noticed by proprietary solution providers who will try and fill it with their own offerings. This will result in authorities ending up with a mobile website provided by one company and mobile apps for each separate service they provide, as each provider will only be able to sell a mobile app for their own service.
- This will result in a significantly fragmented and lower level of service from local authorities, the end result being when you go looking for your local authority from a mobile device you will be faced with multiple applications to download. This fragmentation will reduce the rate of channel shift as citizens will not know which application to download for which service.
- The average cost of a mobile application is likely to be around £10k per platform per service.
- There are current four platforms on which mobile application will need to be run from per service (Apple, Blackberry, Android & Windows).
- Authorities could be looking at £40k per service to deliver that service via mobile devices across the four major platforms.
- By contrast a mobile website for the same service would cost in the region of £10k per service and be platform agnostic (run on all of the mobile platforms).
- We believe that there is a small window of opportunity for local authorities to prevent the more expensive scenario above happening.
- By the local authorities themselves developing an overriding framework for delivering mobile services, then requiring third parties to adhere to that framework, we can both dramatically reduce the costs of creating mobile services, whilst at the same time provide an optimal user experience for the public.
- In practice this will mean developing a skeleton mobile application that each authority will be able to customise to their own requirements. The skeleton application will include a simple menu selection screen from which it will link into mobile web pages (as opposed to mobile web applications). We then require the third party providers to just develop mobile web pages for their service, which we

can seamlessly link into. By doing this we prevent the third party providers from charging the higher rates for a mobile application and charging multiple times for the same service to be delivered via the different platforms.

**Outline Benefits.**

- An expected 75% reduction in the cost of transitioning internet service delivery from traditional desktop devices to mobile internet devices.
- A single mobile application, deployable to any authority without charge and able to provide access to any mobile-enabled web services.
- Using a single mobile application will allow for the continued channel shift to online services.
- Cashable savings on front line customer service function (fte) – following the deployment of popular apps, return on investment within two years.
- Increased user satisfaction with the Council
- Improved communication with the citizen

**Outcome milestones and spend Profile.**

An MIE tool analysis of this project shows that the authority could achieve savings of around £700k during the process of getting local authority services ready for use on mobile devices. The return on investment is within two years.

<b>Outcome Milestone</b>	<b>Anticipated Completion delivery Date</b>	<b>Funding Payment Profile</b>
Training Materials Received	01/07/2011	£3,000
Development Hardware	01/07/2011	£8,000
Additional Resources Hired	01/07/2011	£77,000
Apple App Completed	01/10/2011	N/A
Blackberry App Completed	01/01/2012	N/A
Android App Completed	01/03/2012	N/A
Windows App Completed	01/06/2012	N/A
Framework Published	01/07/2012	N/A

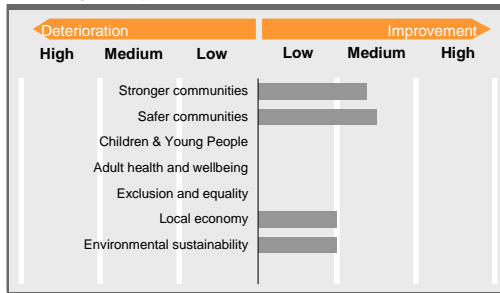
# Summary results

**Project:** Create a framework and series of mobile applications for the cost efficient and user focused deployment of mobile application

## Financial impact (£000's)

		Confidence in inputs
Setup costs (Costs of designing and implementing the project)	(81)	High
Ongoing costs (Costs of delivering and managing benefits)	(109)	
Cashable benefits	697	
<b>Payback over period of project</b>	508	Medium
Potential variation in payback	24%	Low
<b>NPV</b>	412	
Non-cashable impact on staff	(133)	
Non-cashable impact on office space	-	

## Strategic impact

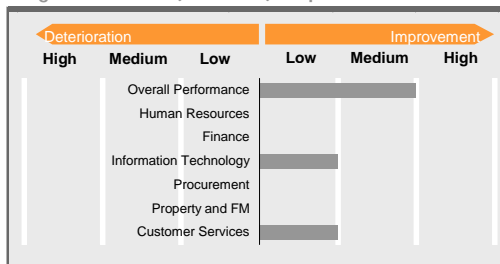


## Project risks

You identified 12 project risks. The six most serious are:

Risk	Likelihood	Impact
Loss of key personnel	3/5	3/5
Public perception or scepticism	1/5	4/5
Technical failures	3/5	2/5
Low take-up by customers	1/5	4/5
Cost overrun on materials	1/5	1/5
Cost overrun on services	1/5	1/5

## Organisational (internal) impact



<b>Project Name</b>	○ <b>Northamptonshire Drugs &amp; Alcohol Arrest Referral Service (DAARS) Project</b>
<b>Project Sponsor</b>	○ <b>Alex Hopkins</b>
<b>Authorities Involved</b>	○ <ul style="list-style-type: none"> <li>▪ <b>Northamptonshire County Council (NCC)</b></li> </ul> <b>Northamptonshire Drugs and Alcohol Action Team (DAAT)</b> <b>Northamptonshire Police</b>

## Project Description

### What the project is

- The project forms a crucial part of the Northamptonshire County Council response to alcohol harm. Police and Health services bear the brunt of this and it has been estimated that these alcohol harms costs each household in the County £925. (*Northamptonshire Alcohol Harm Reduction Strategy 2010-2015*)
- DAARS is an integrated scheme designed to manage offenders where drugs and alcohol have played a part in the offence. It is has been designed to provide an alternative disposal of offenders in ways which will have considerable benefits in reducing costs. The scheme offers unique characteristics which have already attracted considerable interest from within the region and nationally.

<b>DAARS Project Partners</b>
Northamptonshire Police
Northamptonshire Probation Service
Northamptonshire NHS
Voluntary Sector – CAN
Doncaster Police

- The project forms part of a police diversion scheme which diverts offenders away from custody suites to ‘surgeries’ attended on Police Bail. It makes use of all the available statutory tools (Fixed Penalty Notice (PND), Conditional Cautions). This scheme has the potential to make tangible savings in the reduction of staff manning Custody suites during peak period as well as reducing Court costs.
- The alcohol referral scheme comprises an extended ‘identification and brief advice’ (IBA) session and follow up. Working with alcohol offenders in this way has a proven effect in changing problematic consumption into responsible drinking or abstinence and reducing re-offending. This lies at the heart of the diversion scheme providing effective disposal of alcohol offenders while at the same time reducing Police and CPS costs.

## **Project history and track record**

- Pilot Alcohol Arrest Referral schemes were established in 8 local authorities (Bristol, Cleveland, Cumbria, Leicester/Leicestershire/Rutland, N.E. Lincolnshire, Northamptonshire, Stoke on Trent and Swindon), between Jan 2009 and September 2010. These schemes have been subject to local and national evaluation and impact assessment although few of these have yet been published.
- These schemes, based in custody suites, have a demonstrable prevention benefit in reducing alcohol related reoffending. Case studies demonstrate that the intervention can modify the way offenders drink and lead them towards a healthier and safer lifestyle. This has benefits to the health service in reducing alcohol related accidents and in the longer term reducing the incidence of other alcohol damage or conditions. The alcohol arrest referral scheme was proving to be more effective in removal/amelioration of the causal problem than other dispositions. The pilot work demonstrated at least a 20% drop in re-offending in the group treated.
- In September 2010 analysis of the Northamptonshire scheme suggested that it could be modified to yield more tangible benefits to partners. To achieve this a new diversion scheme was developed under the RIEP programme to develop and implement the new approach and to improve its efficiency.

## **Project description**

- The Northamptonshire DAARS scheme re-launched in March 2011 is a fantastic example of partnership working between Northamptonshire Police, Northamptonshire County Council, Northamptonshire NHS and local service providers. The intention of the scheme is to divert individuals (aged 18 years and over) committing low level alcohol related offences away from the Criminal Justice System, by engaging them with alcohol service providers within Northamptonshire (See process map attached). The scheme also intends to engage with offenders who commit higher levels of offences, and whilst it may not divert these offenders away from the Criminal Justice System, it will hopefully address potential re-offending.
- This scheme fits with the DH Alcohol Improvement Programmes' High Impact Change 2 - 'Develop activities to control the impact of alcohol misuse' by utilising existing powers (such as conditional cautioning and penalty notices for disorder) and integrating them to provide a scheme with a full range of tools and powers and linkages into appropriate services. It is expected that the new scheme will increase attendance to treatment to close on 100% based on lessons learn from the pilot.
- Whilst this scheme is in its infancy and will require an evaluation with appropriate data to demonstrate effectiveness, it holds great hope for impacting on alcohol related crime and disorder in a holistic and supportive way.
- The scheme provides for 3 alcohol workers to support the Arrest Referral Teams in the County, administrative support and provision to promote the scheme with the region.

## Outline Benefits

- The total saving per offender diverted is broken down into two components: the Police Savings = £1,598 and the CPS Court savings of £2,309. This gives a combined saving of £3,906.71 per alcohol offender

The timetable shown in the table outlines how the benefits will be realised:

Date	Milestone	Notes
May 2011	Transitional funding identified for the DAARS scheme May-June 2011	
June – December 2011	The establishment of an RoI business case with the Police identifying the cashable savings of the scheme	
June 2011 – January 2012	The number of Police Diversions reach in excess of 50 per month	Achieves RoI of 17:1
January – June 2012	Implementation of the Police cuts/savings made by the DAARS scheme	Removal of double shifts in peak periods etc.
July – September 2012	Re-invest savings into DAARS scheme	Scheme reaches breakeven point with sustainable future funding.
October 2012 – Feb 2013	Work with CPS to identify reduction in use of weekend Courts and other savings due to Diversion scheme.	Saturday Court removed

- The total gross savings (ROI) of this scheme are high (based on the cost matrix [appendix 2] £2.5m assuming that there are 50 diversions per month). It should lead to cashable savings in 2012-13 (assuming the removal of all double custody shifts and associated administrative and infrastructure support a minimum full year saving in the order of £110,000) which should proportionately increase during 2013-14 and 2014-15.
- Breakeven point should be achieved in mid 2012-13 with police reinvestment of savings into the scheme (a business case is currently being prepared by the Police on the ROI basis – this needs 6 months baseline data from the DAARS project to justify the case – to be submitted in Jan/Feb 2012 . This should allow for savings to be made in 2012 and invested in the scheme).
- Cashable savings (Police) in the short term will be made in the reduction in additional shifts in Custody suites during peak periods (Friday and Saturday nights as well as public holidays). This is the minimum reduction in shifts envisaged – further savings will be expected as the scheme develops.
- Cashable savings to the Criminal Justice System may result in the reduction of Saturday Courts although this may be longer term
- Overall we expect a return on investment of 17:1 within 2 years. With the inclusion of partner savings we might expect this to increase. (For example; to date the scheme

has resulted in a reduction in alcohol related accidents at A&E- if this were sustained it may lead to staff reductions during peak periods).

- The scheme supports mentoring other regional organisations in the development of similar schemes.
- This scheme has identified clear areas of benefit but it is recognised that these need to be quantified. This proposal includes provision for measuring the actual benefits achieved. The areas of benefit include:
  - *Savings through diverting low level alcohol offenders away from the Criminal Justice System and into treatment services.*
  - *Savings made through reducing re-offending because treatment reduces the levels of alcohol abuse.*
  - *Savings made through the treatment of harmful/dependent drinkers especially through linking them into a therapeutic network of support and reintegration.*
  - *Savings to the Health service through early intervention will reduce the onset of alcohol related diseases in later life.*
  - *Societal savings including employment and relationships.*
  - Benefits to the individual in supporting them in a stable lifestyle with safe levels of alcohol.

### Outcome milestones and spend Profile

Outcome Milestone	Anticipated completion delivery date	Funding payment profile
1 <sup>st</sup> Quarterly Report	July 1 <sup>st</sup> 2011	
National Conference promoting the benefits Of the Diversion (DAARS) scheme and promoting it.	September 2011	
2 <sup>nd</sup> Quarterly Report	October 1 <sup>st</sup> 2011	£35,000
Completion of ROI Business Case and its submission (Police)		
3 <sup>rd</sup> Quarterly Report	January 1 <sup>st</sup> 2011	£35,000
4 <sup>th</sup> Quarterly Report	April 1 <sup>st</sup> 2012	£35,000
Assessment of the impact of the scheme and its contributions to other areas: Health, Community, Employment and Society.	April 31 <sup>st</sup> 2012	
1 <sup>st</sup> Quarterly Report	July 1 <sup>st</sup> 2012	£35,000
2 <sup>nd</sup> Quarterly Report	October 1 <sup>st</sup> 2012	£35,000
Stakeholder engagement to identify sustainability of funding. Start 12 month Evaluation	October 31 <sup>st</sup> 2012	
Evaluation Draft findings	December 24 <sup>th</sup> 2012	£10,000
3 <sup>rd</sup> Quarterly Report	January 1 <sup>st</sup> 2013	£35,000
Evaluation Completed	January 31 <sup>st</sup> 2013	£10,000
4 <sup>th</sup> Quarterly Report	April 1 <sup>st</sup> 2013	£35,000
	Total =	£265,000

<b>Project Name</b>	○ North Northants Housing Co-ordinator
<b>Project Sponsor</b>	○ Vicki Jessop (Borough Council of Wellingborough)
<b>Partner Authorities Involved</b>	○ Borough Council of Wellingborough ▪ Corby Borough Council Kettering Borough Council East Northamptonshire Council

**Project Description**

- Provide a brief description of the project
- List the local authorities where this project has been previously successfully implemented.
- Summarise service delivery benefits that have been realised from previous implementation of this project or similar.

Project Description and Local Authorities: The North Northants Local Authorities (Corby, Kettering, Wellingborough and East Northants) employ a Housing Co-ordinator across the Housing Market Area. The post is one which promotes strategic joint working within the Housing sub-market area. It has become an integral part of the work of all four Local Authorities by organising, co-ordinating and moving forward various projects, meetings and events which otherwise would have to be organised individually by each Authority at considerably greater expense in terms of money and time. Co-ordination has ensured considerable savings have been made by the individual Local Authorities and therefore all four Authorities are extremely keen to continue this highly cost-effective post which enables liaison and implements sub-regional policy with partner organisations and includes examples such as a Pre-emption protocol; GTAA assessment; strategic policy compilation including Local Investment Planning. Enables events to be held in a single location once rather than being repeated in four separate locations at far greater cost both monetarily and timewise.

The post provides an essential conduit between the four Local Authorities and Registered Social Landlords, Homes and Communities Agency, North Northants Joint Planning Unit, North Northants Development Company County Council, Communities and Local Government and numerous other bodies involved in the provision and planning of affordable housing. Working relationships have consequently improved markedly in the last 2 years, and the Authorities wish to build on this progress by securing appropriate funding.

Current example of outputs from the post is a consultation on the sub-regional Choice Based Lettings scheme – discussions have been enabled with all local Housing Providers with a recent forum event - the consultation process is being led and co-ordinated through the post-holder with a view to influencing and amending the scheme in the most efficient and cost affective manner.

Another example is the role produces and co-ordinates outputs across the county in respect of Homelessness prevention and the provision of a quarterly county forum (this includes additional Local Authorities of Northampton, Daventry and South Northants), plus collation of county-wide homelessness reports. The data from reports is used to influence and inform projects in homelessness prevention.

A County Housing Strategy Officers Group is convened and managed on a quarterly basis which tackles county-wide housing related issues and enables co-ordinated activities across seven Local Authorities – this role is partially shared with an officer in West Northants.

In summary, the post is producing and delivering real outcomes for all parties involved, making things happen in a cost efficient and co-ordinated fashion. Communication channels, delivery and costs have been considerably improved and it is most important this progress continues by securing suitable grant funding.

Service delivery benefits: The project has been running for approximately two years and during that time the Co-ordinator has delivered and assisted with a number of projects; organised a large number of events across the North Northants area and improved liaison and joint working between the Local Authorities, and also with partner organisations. A summary of the main milestones and projects can be found under ‘Outcome milestones and spend profile’ in Section 3 below.

**Outline Benefits**

- Cashable benefits (to be supported by a mietool or other comparable ROI tool calculation)
- ROI calculation
- Other Benefits
- Payback period

Please see Cost Benefit Analysis spreadsheet which outlines the main work projects the Housing Co-ordinator is involved with and their cost savings to the four North Northants Local Authorities.

The spreadsheet shows cashable benefits over an annual period; however the level of funding requested is to finance the Co-ordinator post for a two year period.

**Outcome milestones and spend Profile**

<b>Outcome Milestone</b>	<b>Anticipated completion delivery date</b>	<b>Funding payment profile</b>
Ensures Development forum available for partners including Local Authorities, Registered Providers and HCA – sharing current policy; best practice nationally and locally.	Ongoing quarterly, plus regular interim liaison.	Funding for 2 years submitted for all work. Payment is requested for 100% to ensure post continuation.
Ensures Housing Management forum available for partners including Registered Providers	Ongoing quarterly, plus regular interim liaison.	

and Local Authorities – sharing good practice; liaison; policies and new working methods.		
County Housing Strategy Officers' Group improving cross boundary co-operation; working methodologies; knowledge base; greater economies of scale.	Ongoing quarterly	
Statistical evidence produced for County Homelessness Operational Liaison Group to review current trends; case studies; sharing good practice.	Ongoing quarterly	
Provision; implementation and monitoring pre-eviction Protocol aiding homeless prevention.	Summer 2011	
Formulation and provision of a Housing Needs Assessment model for North Northants Local Authorities.	Spring 2012	
Procurement and implementation of Housing Affordability toolkit for North Northants Local Authorities. Will aid Authorities in provision of appropriate housing at affordable rental levels.	Autumn 2011	
Review of Gypsy and Traveller (GTAA) assessment in conjunction with consultants; Countywide Traveller Unit; Joint Planning Unit.	Spring 2012	
Production of Homeless reports for Local Authorities, including utilisation of P1E data from CLG.	Ongoing quarterly	
Low-cost home ownership data reporting for all four Authorities in conjunction with HomeBuy Agent.	Ongoing	
Rough sleeper funding to be secured from CLG by Authorities. Co-ordinator to help produce and implement suitable initiatives.	Negotiations ongoing	
Local Investment Planning – Implementation Group work alongside HCA, including monitoring progress against local delivery targets .	Ongoing	
Review of Choice Based Lettings scheme, including review of Allocations Policy via Provider	Autumn 2011	

consultation responses received. Implementation of changes.		
To produce Local Authority feedback on Developer contributions and Community Infrastructure Levy.	Ongoing	
Detailed involvement in production of Learning Disability Housing Plan. Securing suitable cost-effective accommodation solutions in conjunction with County Council.	Spring 2012 and ongoing	

<b>Project Name</b>	○ <b>West Northants Strategic Housing Co-ordinator</b>
<b>Project Sponsor</b>	○ <b>Daventry District Council</b>
<b>Partner Authorities Involved</b>	○ <b>Daventry District Council</b> ▪ <b>Northampton Borough Council</b> ▪ <b>South Northants Council</b> <b>West Northants Joint Planning Unit</b>

## Project Description

The post of a West Northants Strategic Housing Coordinator (WNSHC) for West Northants was created to help co-ordinate the joint working between the local authorities of Daventry, Northampton and South Northants in regards to housing strategy. The post has been in existence since July 2011.

The main outputs have been

- Developing opportunities for joint working between the three Local Authorities and take forward jointly identified priorities for housing.
  - Acting as an additional link to the West Northants Joint Planning Unit.
  - Establishing officer working groups in relation to housing strategy and planning policy, fostering joint approaches where appropriate
  - Engage local authorities on a sub-regional basis in the ‘Single Conversation’ investment process and helping to co-ordinate the strategic input of the West Northants authorities into the process on an ongoing basis.
  - Continue to take forward recommendations and deliver actions relating to the West Northants Strategic Housing Market Assessment and Viability Appraisals undertaken by the three local authorities and the Joint Planning unit.
- ***List the local authorities where this project has been previously successfully implemented.***

This project is focused on the local authorities of Daventry, Northampton and South Northants. However sub-regional posts similar to this have also been in operation across the East Midlands for a number of years. The East Midlands Regional Housing Group has previously funded both this and similar posts elsewhere in the region. Previous RIEP monies have also funded a similar post to this in the Derby Housing Market Area.

West Northants is an established partnership area based on the housing market area identified in the study commissioned by East Midlands Regional Assembly<sup>1</sup>. It is recognised within the East Midlands Regional Housing Strategy and the East Midlands Regional Spatial Strategy. The West Northants Core Spatial Strategy is also in development and a West

<sup>1</sup> DTZ Pida (2005) Identifying the Sub-regional Housing Market Areas of the East Midlands (East Midlands Regional Assembly / East Midlands Regional Housing Board  
<http://www.goem.gov.uk/497296/docs/191913/232488/288818/housemkt1to30>

Northants Local Investment Plan has also been developed by the Homes & Communities Agency.

- **Summarise service delivery benefits that have been realised from previous implementation of this project or similar.**

To date this post has achieved the following delivery benefits

***Facilitating joint working across West Northants authorities and acting as a link for regional and sub-regional work***

- Contributing and helping to shape the development of the West Northants Local Investment Plan process.
- Attending meetings where appropriate, representing West Northants Partners (Countywide & Regional).
- Co-ordinating and helping to shape joint responses where appropriate (eg: Learning Disability Housing Action plan).
- Preparing policy papers and briefing for West Northants policy officers on emerging government policies (eg: Comprehensive Spending Review, Housing Green Paper).
- Organising meetings and events (Eg: Homes and Communities Agency event on Affordable Homes programme, Hi4EM presentation)
- Acting as a contact point for external agencies (eg: Health and Social Services, Regional organisations, CLG).
- Establishing and administering the West Northants Strategic Housing Group for local authority strategic housing officers.
- Co-chairing and organising the County Housing Strategy Officers Group, taking the lead on relevant actions and work on behalf of the West Northants authorities.
- Organising additional extra meetings in response to emerging issues (Hi4EM, HCA)
- Strengthening links across the county through regular engagement and joint working with the North Northants Housing Co-ordinator.

***Acting as a link between Strategic Housing Teams and the Joint Planning Unit.***

- Coordination of West Northants Housing & Planning Group Meetings on a bi-monthly basis, developing Terms of Reference and administration (liaising with JPU).
- Organising and administering additional Working Group Meetings on specific start and finish tasks in relation to the Core Strategy (eg: Affordable Housing SPD, allocations mechanism for Northampton Related Development Area).
- Monitoring Implementation of recommendations made within the SHMA & Viability studies, drawing up Action Plan with timescales

**Outline Benefits**

- Cashable benefits (to be supported by a mietool or other comparable ROI tool calculation)
- ROI calculation
- Other Benefits
- Payback period

The principle cash benefits of the WNSHC are derived from it being a joint post across 3 local authorities (plus the joint Planning Unit) and the savings from having a single point of contact rather than 3 officers across each authority carrying out a sub-regional role. Many of the tasks

that have been undertaken by the WNSHC to date (and in the future) also save on the costs of employing consultants (eg: organising events, meetings or forums or on specific tasks). There are also benefits to other Government agencies who can use one point of contact rather than three.

The Localism Bill<sup>2</sup> introduces a statutory duty on Local Authorities to produce a Tenancy Strategy<sup>3</sup>. This is a new and additional requirement on local Authorities. Though it is not yet decided if these will be undertaken on an individual or joint basis, the WNSHC will be able to produce further efficiency savings by acting as a central co-ordinator of the subsequent approaches taken by each local authority requirement.

An illustration of the potential efficiency savings of this role is given below:

1) Reduced external consultant support costs<sup>4</sup> (eg: Tenancy Strategy development at £500 per day). At 60 days per annum per local authority, this would be 60 x £500 x 3 = £90,000

**Efficiency saving = £90,000 - £40,000 = £50,000 per annum (over £16,500 per local authority)**

2) Joint post efficiencies

WNSHC post = £40,000 per annum (including on costs)

Comparable costs = 3 x additional local authority posts = £40,000x 3 = £120,000

**Efficiency saving = £120,000 – 40,000 = £80,000 per annum (over £26,500k per local authority)**

**Overall return on investment = £130,000 (or £43,000 per local authority)**

## Outcome milestones and spend Profile

### *For continuation of West Northants Strategic Housing Coordinator Post*

Outcome Milestone	Anticipated completion delivery date	Funding payment profile
1) Co-Production of 3 Local Authority Tenancy Strategies (Statutory requirement proposed in Localism Bill - Research and production of document, including liaison across LA areas - Consultation with providers (including organising and facilitating events) - Overseeing passage of document through LA Committee Stage and	August 2012 <sup>5</sup>	£40,000 (overall costs for 12 months)  £2,500 (additional post costs plus venue hire, training, administration costs).

<sup>2</sup> Localism bill accessible at: <http://services.parliament.uk/bills/2010-11/localism.html>

<sup>3</sup> Chapter 2, sections 126-127

<sup>4</sup> Estimated costs for illustration purposes

<p>adoption by each Local authority - Implementation and monitoring (ongoing)</p>		
<p>2) Continuation of existing post output, supporting the Strategic Housing functions of the three LAs plus the Joint Planning Unit.</p> <ul style="list-style-type: none"> <li>• Develop opportunities for joint working between the three Local Authorities and take forward jointly identified priorities for housing.</li> <li>• Provide officer support as a link to the West Northants Joint Planning Unit.</li> <li>• Continue to facilitate officer working groups in relation to housing strategy and planning policy.</li> <li>• Continue to support local authorities to engage in the 'Single Conversation' investment process and Affordable homes programme.</li> <li>• Continue to take forward recommendations and deliver actions relating to the Housing and planning policy evidence base on a SHMA (and county wide) basis)</li> <li>• Carry out in house research as directed by the three local authorities / Joint Planning Unity</li> <li>• Continue to act as the sub-regional housing link to emerging policy processes such as Local Enterprise Partnerships.</li> <li>• Ongoing policy advice to the three local authorities in regard to housing strategy.</li> </ul>	<p>To period end of November 2012</p>	<p>(included within above costs)</p>

## **Summary**

Current funding for the post expires in November 2011.

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<sup>5</sup> Statutory deadline for completion of Tenancy Strategy to be set by Localism Act (when inacted)

Additional total funding therefore is sought of **£42,500** in order to continue the WNSHC post for another 12 months.

In order to achieve maximum efficiency savings within the three local authorities, it would be beneficial if funding for the post could be extended to 2 years i.e **£85,000**. This would allow workload to be planned in a more consistent manner and more beneficial for the local authorities and cost effective for RIEP.

This will enable the above milestones to be completed and the estimated efficiency savings (section 2) to be realised.