

Agenda item No: 6

EAST MIDLANDS IMPROVEMENT AND EFFICIENCY PARTNERSHIP BOARD MEETING: 10th November 2008

Report of the Director

Review of EMCE/EMIP Legacy Projects and EM IEP Resource Allocation

1. Purpose of the report
 - 1.1 To review the progress and benefits delivered from the legacy EMCE/EMIP projects and to recommend surplus resources are devolved to sub regional partnerships
 - 1.2 To provide an update on the EM IEP 2008/09 regional resource commitments
 - 1.3 To provide a pool for investment of uncommitted regional funds for a future regional support programme
2. Background
 - 2.1 At the meeting on 12th September the EM IEP Board requested a review of the EMCE/EMIP legacy projects and preparation of a report, with recommendations for redistribution of uncommitted funds to Sub Regional Partnerships.
 - 2.2 The Board also received a verbal report regarding the numerous other activities and initiatives that are emanating from central government departments and the LGA. To enable the EM IEP to engage with these emerging agendas and support the delivery of LAAs across the region it is proposed that a pool of unallocated regional resources should be carried forward.
3. Review of EMCE/EMIP Legacy Programme and Unallocated Resources
 - 3.1 A review has been completed of the progress, benefits delivered and uncommitted funds for the Legacy EMCE/EMIP improvement and efficiency projects/activities, which is attached at **appendix A**.
 - 3.2 A total of 31 projects and activities were carried forward from the EMCE and EMIP programmes. Currently there is a balance of uncommitted funds of £990,212 for these legacy projects as identified below:
 - The Eight capacity building products, offered to authorities in February 2007, have been commissioned by individual authorities working with the IDeA Regional Associate. 120 capacity building products have been delivered to 44 of the EM LAs and F&R authorities during this period. Currently there is £526,237 (approximately 49%) of

uncommitted funds allocated for the delivery of these capacity building products.

- Nine efficiency/improvement projects are on target to be completed by March 09
- One project (Northamptonshire F&R operational command development centre project) is still unscoped. Therefore the £50,000 grant allocation is currently uncommitted.
- Thirteen projects have been completed with uncommitted funds of £413,975 available for reinvestment (Members have previously agreed to reinvest £79k to support authorities in difficulty)

3.3 In addition to the balance of uncommitted funds of £990,212 for the legacy EMCE/EMIP projects an additional £517,456 of unallocated funds are also available for investment, as outlined below, providing a total of £1,507,668 unallocated resources.

- £182,570 under spend on completed EMCE projects and running costs at the end of the programme (31st March 2008)
- £208,886 unallocated EM IEP regional programme 30% apportionment of CLG core grant for 2008/09
- £126,000 unallocated CLG windfall grant.

4. EM IEP 2008/09 Resource Update

4.1 The profile for the EM IEP income and allocation of resources is attached as **appendix B**, which is summarised in the table below:

Description	£000s Resource Commitments	£000s Unallocated Resources
EMCE/EMIP legacy project funding c/f	1,488.2	990.2
EMCE under spend c/f		182.6
Regional programme 30% apportionment of CLG core grant 2008/09	987.0	208.9
Additional income (ring fenced projects)	512.8	-
Regional windfall projects/activities	500.0	126.0
Sub regional windfall projects/activities	980.0	
Sub Regional Partnerships 70% apportionment CLG core grant for 2008/09	3,340.0	-
Overheads	766.9	-
Totals	8,574.9	1,507.7

4.2 The table above shows that currently there is an unallocated balance of EM IEP funds of £1,508k available for investment in sub regional and regional programmes for Improvement and efficiency projects and capacity building activities.

4.3 In addition to the above, £147k has been received during the first 6 months of this year from miscellaneous income and interest earned on balances. It is recommended that the interest is regarded as a contingency fund to be reconsidered in the development of the year 2 Business Plan. It should be noted that interest is currently accruing at approximately £25k per month.

5. Proposals for Investment of Uncommitted Funds

- 5.1 As previously resolved by the Board, it is proposed that the £1.0m of EMCE/EMIP uncommitted legacy funds are devolved to the sub regions. This would provide each sub regional partnership with an additional £200k for capacity building activities. However, it is recommended that a first charge on these additional resources should be for strengthening programme management arrangements over the next two years.
- 5.2 It is proposed that the remaining £508k should be retained for regional support programmes and will enable the EM IEP to engage with the various emerging agendas and provide investment for the delivery of improvement, capacity building and efficiency programmes across the region as a whole.
- 5.3 These programmes will be developed in consultation with the Sub Regional Partnerships, the Officer Steering Group and other agencies. Elsewhere on the agenda is a timetable for the review of RIES targets and it is recommended the use of the regional fund balance (£508k) forms part of this process.

6. Recommendations

- 6.1 It is recommended that the Board consider the report and agree:
- That £1.0m be redistributed to the sub regional partnerships (£200k each) to support their capacity building programmes, including strengthening programme management arrangements as appropriate.
 - That the balance of the uncommitted regional support funds of £508k be held in a reserve pool and a programme be developed in consultation with the Sub Regional Partnerships.
 - That the interest received on balances be ring fenced as a contingency sum and be reconsidered in the development of the year 2 business plan

Chris Allison
Director EM IEP

Agenda item 6 appendix one		Review of Legacy EMCE/EMIP Projects and Capacity Building Activities October 2008		
Project	Delivery Milestones & Progress	Grant Allocation	Grant paid/commitments	Uncommitted Grant Balance
Peer Review - 100% subsidy to all councils	22 Authorities	£ 370,000	£ 201,300	£ 168,700
1 Free Leadership Academy place for each council	28 Authorities	£ 70,000	£ 39,200	£ 30,800
National Programme Councillor Mentoring / exploit national programmes	14 Authorities	£ 123,000	£ 45,900	£ 77,100
Exploit national programmes - Real Improvement, Real Time	7 Authorities	£ 117,500	£ 116,461	£ 1,039
Exploit National Programmes National Graduate Programme	3 Authorities	£ 16,000	£ 14,000	£ 2,000
Exploit national programmes Future Leaders Programme	14 Authorities	£ 153,700	£ 42,700	£ 111,000
50% subsidy for Efficiency Peer Reviews (EMCE 21,000/EMIP 70,000)	11 Authorities	£ 91,000	£ 36,000	£ 55,000
50% subsidy for LSP Peer Challenge	19 Authorities + regional event for LSP's	£ 138,000	£ 57,402	£ 80,598
Database for knowledge sharing	Database being developed and populated by EM IEP support team. Available on EM IEP website January 09	£ 5,000	£ 5,000	£ -

Project	Delivery Milestones & Progress	Grant		
		Allocation	paid/commitments	Uncommitted Grant Balance
Design and development of a regional academy for management development	12 Post graduate certificates in action learning facilitated. 8 action learning sets delivered/committed. 2 cohorts of 15 people taking ILMS award in leadership. Coaching/mentoring programme for aprox 150 people with personal development plans - Project to be completed by March 09	£ 160,000	£ 160,000	£ -
Mapping competency framework and succession planning	Competency framework and toolkit pilot project with 8 authorities. - Project to be completed by March 09	£ 75,000	£ 75,000	£ -
Business Process Improvement - package developed to enable training and support to be provided to councils to 'grow their own' in-house expertise and develop BPI programmes	Funding for three BPI projects. Programme Manager engaged. Facilitation of the BIT NVQ training programme which has been completed by 140 people with a further 120 being trained. A capacity building/training and development programme has been developed and is being delivered. Direct and peer support provided to authorities undertaking BPI projects. - Project to be completed by March 09	£ 250,000	£ 250,000	£ -
Corporate Services Solution - Chesterfield BC	In July a PIN notice was published stating that Chesterfield are minded to explore the procurement of a private sector strategic partner which includes sign up of 4 other authorities and that expressions of interest from other Derbyshire Councils are considered. The scope of the potential contract includes: Revs & Bens, ICT, Finance, Human Resources, Customer Services, Procurement and Legal (£15k has been used to prepare the implementation plan and associated procurement prospectus with the balance of £35k being used to fund the procurement stage, in conjunction with the 4 other authorities named on the PIN)	£ 50,000	£ 50,000	£ -
East Midlands Highway Alliance (MHA)	Established legal Identity of MHA, provided a major schemes framework and Medium schemes framework. Completed term contract data analysis and best practice model. Facilitated performance management work to capture savings. Undertaking joint purchasing of commodities - Full spend by March 09 MHA will continued to be support within EM IEP regional programme	£ 227,000	£ 227,000	£ -

Project	Delivery Milestones & Progress	Grant		Uncommitted Grant Balance
		Allocation	paid/commitments	
Community Alarms Derbyshire	Forum established for community alarms and sheltered housing providers. Providing consistent provision across the county area, opening up supporting people services for more non-council tenants. Improved quality of SP funded community alarm provision with standardised pricing structure across county and clarity and consistent application around eligibility of SP funding. Contingency mechanisms are now in place. Project completed by March 09	£ 85,000	£ 85,000	£ -
Property rationalisation Derbyshire	The project is looking for property sharing opportunities across partner organisations with the overall aim of reducing our accommodation requirements. A number of opportunities have already been identified and there is a need for project management resources to support these. The initial funding received from EMIP will enable the projects to commence and a proposal for additional funds has been submitted to the sub-regional partnership.	£ 50,000	£ 50,000	£ -
Information architecture Derbyshire	The project will comprise of two phases where two or three partners will be connected in the first instance and the remainder connected at a later date. Existing EMIP funding will be used for the initial connections. A further proposal seeking sub regional funding for phase 2 has been developed	£ 100,000	£ 100,000	£ -
Operational Command Development Centre Northamptonshire F&R	£50k grant offered by the EMIP Board fell a considerable way short of the £145K bid and as such, despite their best efforts, Northamptonshire F&R have been unable to secure the shortfall in monies to secure accommodation and the resources to locate and run the Operational Command Development Centre. Northamptonshire F&R confirmed that none of the £50k has been committed	£ 50,000		£ 50,000

Project	Delivery Milestones & Progress	Grant Allocation		Grant paid/commitments		Uncommitted Grant Balance	
		£		£		£	
Support for the Councillors Development Charter	10 diagnostic checks committed/completed. E-learning package for councillors purchased. Skills audit toolkit launched plus 2 personal development workshops - Project Completed	£	200,000	£	120,473	£	79,527
Implementing Pay & Workforce Strategy	Event on workforce strategy for shared services delivered - Project completed	£	20,000	£	1,116	£	18,884
Design and implement a training and development strategy	Research and evaluation of toolkits - Project completed	£	75,000	£	1,370	£	73,630
7 VfM training workshops provided by 4Ps	5 events delivered by 4ps - Project completed	£	9,683	£	7,500	£	2,183
EM Shared Services - Nottinghamshire	Proof of concept and Business case completed November 08. Due to the revised scope of the project Nottinghamshire and Leicestershire have used their own resources to develop the final business case - Project completed	£	150,000	£	19,774	£	130,226
Citizens authentication Derbyshire	Until recently it has been difficult to make progress with this project, which changed when the Department for Work and Pensions took over the management of the programme earlier this year. It is now likely that all partners who can meet the Government Connect Code of Connection requirements will have their Government Connect service installed by the April 2009. From the original grant of £50,000 that was approved £19,475 has been claimed to date. It is now unlikely that the balance of the grant will be required as charges will not be made for use of the service for at least the first two years. Therefore no further claims will be made against the remaining £30,525. Project completed	£	50,000	£	19,475	£	30,525

Project	Delivery Milestones & Progress	Grant Allocation		Grant paid/commitments		Uncommitted Grant Balance	
		£		£		£	
Support for authorities in difficulty	Support for Northampton Borough Council, Peer Mentoring 45 days, 4 leadership academy places, HR support, Interim managers to support Housing Services - £79k residue of funding has been c/f to EM IEP support programme	£	280,000	£	201,000	£	79,000
Restructuring station support Lincolnshire F&R	Gap analysis of skills and work flow, 'to be' analysis and implementation of changes. - Project completed	£	70,000	£	70,000	£	-
Member Development East Lindsey DC	Development of Executive Board, Overview & Scrutiny, Peer Support across all Political Groups, Assignment management & Supporting the Organisational Improvement team, Continuing Development of all members of Council. - Project completed	£	197,520	£	197,520	£	-
Joint Procurement Capacity Building Leicestershire	Completion of contracts for:- neutral vendor, occupational health, tax, tier 2 consultancy, insurance, advertising, security cash collection, joint HR and payroll. Framework contract for the design, provision and installation of major play equipment - Project completed	£	147,000	£	147,000	£	-
East Midlands Regional Contract Opportunities	Regional contracts established for: recruitment advertising, refuse collection vehicles, vendor neutral training, temporary agency staff. Consultancy MIS solution available to support consultancy contract, regional contract register provided, procurement compliance guidance published, procurement support network facilitated for region - Project completed	£	100,000	£	100,000	£	-
Shared support and transactional services - Rushcliffe BC	Strategic business case developed. Key suppliers identified. Preferred supplier identified, Cabinet approval Sept 08, mobilisation November 08 - Project Completed	£	50,000	£	50,000	£	-

Project	Delivery Milestones & Progress	Grant Allocation	Grant paid/commitments	Uncommitted Grant Balance
Regional Cultural Improvement Programme	Members Briefing Packs produced. Social Network Analysis Undertaken. CIPEM website developed, including interactive section for knowledge sharing. Self-improvement agenda is now well established within sport and cultural services, a number of self-assessment tools have been made available which can help local authorities evaluate the scope, quality and value of the services provided. Four, well attended events have been convened. Development & rollout of a Cultural Leadership Development Programme. - Project completed	£ 270,000	£ 270,000	£ -
	Totals	£ 3,750,403	£ 2,760,191	£ 990,212

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EM IEP Current Income & Commitments September 2008

Income - £000s

Windfall grant	1,606.0
Core CLG Grant 2008/09	5,302.8
Climate Change funds	260.0
DCSF Funding	40.7
Wellbeing Grant	212.1
EMCE/EMIP legacy funding c/f	2,661.0
Total	10,082.6

A Overheads - £000s

Core Team Costs 2008/09	566.9
Liabilities (indemnity for NCC)	200.0
Total	766.9

B Regional Programme Commitments - £000s

Commitments	Funding Allocation
EMCE/EMIP legacy project commitments c/f	1,488.2
Windfall grant projects/activities	500.0
Programme Managers	94.0
High Cost Placements	75.0
Shaping the Market For Children in Care	56.0
East Midlands Property Alliance	150.0
Midlands Highway Alliance	50.0
Preventative and early intervention support for authorities in difficulty	349.0
Support for Workshops/Networks and Capacity Building Activity	158.0
Leadership Centre Pilot	20.0
Regional benchmarking project	35.0
Climate Change Programme (ring fenced)	260.0
DCFS funded project Regional Support for Commissioning (ring fenced)	40.7
Adult Social Care – Wellbeing (ring fenced)	212.1
Total allocated funds	3,488.0

C Sub Regional Allocations - £000s

Commitments	Funding Allocation
Windfall grant projects/activities	980.0
Sub Regional Partnerships programmes (5x £668,000)	3,340.0
Total	4,320.0

Total of Unallocated funds for reinvestment - £000s

Total Income	10,082.6
Total Commitments (A+B+C)	8,574.9
Total of unallocated funds	1,507.70

Additional income:

- Interest to 30/09/08 = £146,232
- Miscellaneous income = £887

Total = £147,119