

**ANGUS COUNCIL**

**REVENUE BUDGET 2019/20**

**COUNCIL PLAN – POTENTIAL AREAS OF INVESTMENT**

**1. Introduction**

Members are well aware of the severe financial pressures on the Council and of the challenges of continuing to achieve our ambition for Angus to be a great place to live work and visit in the current financial climate. Members will also be aware of the need to invest the Council's scarce resources wisely and in a manner which delivers on the objective to be smaller and more sustainable. Reducing demand for Council services is critical to the Council's financial sustainability.

**2. Council Plan**

Report No 51/19 presents the proposed new Council Plan. The Plan emphasises the priorities of the Council and its ambitions for Angus. Realisation of those ambitions will require the investment of resources some of which will come from existing Council budgets but in some areas additional investment is required.

Members will also recall previous discussions on the potential use of one-off resources (receipts from the MVV waste deal and Taylor Wimpey) decisions on which were deferred during the 2018/19 budget setting process.

Senior Officers on the Council's Leadership Team have reviewed a number of proposals and options arising from the development of the Council Plan.

The various proposals have been assessed and those which CLT believe will make the biggest contribution to the Council's priorities are detailed in the table below. The scale of resources available for investment is of course tied into the Council's overall budget position for both revenue and capital.

**3. Specific Investment Proposals**

The table below summarises the options and potential areas of investment along with an indication of the amount of investment proposed in financial terms. The proposals in the table amount to £3.990 million in total. It will be for the Council to decide which if any of these proposals should be taken forward at the Special Council meeting on 21 February 2019.

Proposal	Value	Comments
<p data-bbox="107 274 943 304"><b><u>Investment in Outcomes/Reducing Future Service Demand</u></b></p> <p data-bbox="107 311 1518 560">There are a number of areas relating to the protection of vulnerable people where investment will significantly improve outcomes for people living in Angus and in turn, avoid emerging complex need and the associated cost. The investment proposed in this area would be £0.569 million in 2019/20 and £0.561million in 2020/21. Funding has been identified to further trial approaches to reducing holiday hunger in one area of Angus in the 2019 Easter school holidays. Funding of £0.080 million is required to extend this approach for 2019 summer and October holidays across more areas of Angus.</p> <p data-bbox="107 598 1518 847">The specific developments will include investment in an extension of the Glen Isla Project to reach a larger number of vulnerable women, specifically targeting those with or likely to have a children who are in need of protection. The project will improve a range of outcomes for vulnerable women, the communities in which they live, and their children. It will also reduce the demand on other parts of the public sector, reducing failed appointments and repeat presentations through improving stability, health and wellbeing. This will be achieved through developing targeted multi-agency support in the pre-birth and very early years period.</p> <p data-bbox="107 885 1518 1102">In line with the Council priorities, this investment will also enable the development of an enhanced support and coordination service for our most vulnerable young people aged 16 to 24 focusing on those young people whose life experience has led them struggling to access services. In providing this additional support, we will seek to reduce the risk of mental health crises, substance misuse, relationship, and accommodation difficulties which severely impact on individuals and the communities in which they live.</p> <p data-bbox="107 1141 1518 1278">Some children living in Angus are going without food during the school holidays. Investment will support the development of pilots in areas of deprivation to ensure the provision of meals and activities during the holiday period. This development will be a key aspect of our Community Planning Partnership Plan to address child poverty.</p>	<p data-bbox="1601 311 1711 341">£1.31m</p>	<p data-bbox="1729 311 2159 699">Investment would be over 2 financial years 2019/20 and 2020/21 and predominantly provide for additional staff on a temporary basis. The impact of the investment on outcomes and costs from reduced demand will be monitored and evaluated to inform future funding decisions</p>

Proposal	Value	Comments
<p><b><u>Tay Cities Deal</u></b></p> <p>This will be transformational in growing the economy of Angus with significant investment from both the UK and Scottish Governments over 10 years. However, this investment will need to be matched in some cases. It is important therefore to begin to identify resources that can be used as match funding. We have already identified £1.5 million in the capital plan for infrastructure and now recommend adding a further £4.5 million to help with matching capital investment projects. This £4.5m has been included in the proposed 2019/20 Capital Budget. Continuing to build the resource we have available will ensure Angus can begin to benefit from the investment at the earliest opportunity.</p> <p>Release of city deal resources will be based on the development of enhanced business cases and support is required in economic development and finance services to prepare the project business cases. In addition, support is required to coordinate the Angus offer and approach to collaboration. Initially two officers at a cost of £0.180 million over two years is proposed.</p>	<p>£0.18m</p>	<p>Investment here is in support staff to undertake the work required to secure release and delivery of individual projects. This work cannot be supported from existing staff provision. Provision would cover at least a 2 year period.</p>
<p><b><u>Community Participation – An Angus Approach/ Angus Way</u></b></p> <p>To date we have committed £0.580 million over three years to engage communities in participatory budgeting, but we want to empower our communities further to achieve a shift in communities doing more for themselves thus reducing demand for Council services. We think by investing some resources we can encourage partners to do likewise and also seek funding from elsewhere using some of these resources as match funding. It is proposed that an additional £0.250 million is made available for each locality to help build community participation and to support communities to deliver the changes they want to see. Not only will this contribute to the expectation of 1% of the council budget being participatory, but it can help bring about a step change to our work in localities.</p>	<p>£1.0m (equivalent to £0.250m* 4 localities)</p>	<p>These resources would be spent over a 2-3 year period depending on progress in individual localities and may include capital as well as revenue costs.</p>

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<p><b><u>Apprenticeships</u></b>            Increasing the number of modern, foundation and graduate apprenticeships in the council is desirable. This will help create meaningful opportunities and support long term succession planning and workforce sustainability in the council and could be better supported than at present. We look to draw in funding to help pay apprentices, but additional support costs are not covered such as transport costs, often impacting the very young people we are looking to support through training and into employment. A sum of £0.100 million has been identified to support this work.</p>	<p>£nil,            redirect            other            resources</p>	<p>Legacy funding for training is available to support this work so this is about redirecting existing resources</p>
<p><b><u>AI (Artificial intelligence)</u></b>            Will be investigated and implemented to improve the customer service experience and reduce costs by replacing webchat with automated chat bots providing personalised advice 24/7 on how to complete transactions on line, to prefill information assisting customers and to automatically learn and answer common questions.</p>	<p>£0.05m</p>	<p>Spend mostly in 2019/20. Payback of around 2 years anticipated from this investment</p>
<p><b><u>Surfacing Dressing</u></b>            Preventative maintenance of our roads infrastructure reduces both future higher repair costs and accidents. The aim of surface dressing is to seal the road surface; reduce freeze/thaw potholes; increases skid resistance of the road surface. It is estimated that the treatment prolongs the life of the surfacing by up to 10 years and reduces the amount of patching required during that period. The comparable costs of surface dressing is £5/m2 compared to resurfacing at £34/m2. Scrutiny and Audit Report 283/14 refers to the technique and recommended increasing surface dressing. This has been a priority to date and with the decreased 'special' funds budget this can no longer be sustained at the same level. A reduced programme of surface dressing is being programmed for 2019/20 and subsequent years. This could be enhanced to provide a more extensive preventative programme with an allocation of funding from the available receipts. Depending on the amounts these funds would be distributed over a programme of 1 to 3 years. If approved this funding would be added to the Council's capital budget.</p>	<p>£0.75m</p>	<p>This sum would be spread over a 2 -3 year period to manage workloads with Tayside Contracts</p>

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<p><b><u>Commercialisation &amp; Estate Rationalisation</u></b></p> <p>Our approach to commercialisation is in early development. It has been recognised that in a difficult financial climate, like the one we are currently experiencing, growing our income is an important strand of closing our funding gap. To ensure we have the right skills and budget to find new ways to increase income we recommend creating a resource from which to build experience. Allied to this is a need to accelerate the rationalisation of our property estate to reduce running costs and carbon emissions and to generate capital receipts. An initial provision of £0.200 million is recommended to support this vital work</p>	£0.2m	This provision would cover up to 2 years and would be used to provide additional in-house support alongside commissioning specialist input when required
<p><b><u>Multi-Disciplinary Approach - Test of Change</u></b></p> <p>Through the work we have been progressing in OD/ZBB it has become clear that a number of services think working with vulnerable families to prevent escalation to interventions that have high cost is imperative to also have better outcomes for the people involved. A test of change idea is developing, focused on intervening early with support to council tenants in a specified geography. The test of change will involve taking a multi-disciplinary approach involving housing, welfare rights, social work and education working alongside partners and communities as appropriate. It is proposed to set aside £0.500 million in balances with a view to bringing forward a more developed proposal for consideration in due course.</p>	£0.5m	The proposal here is only to earmark uncommitted reserves at this stage for budget setting purposes to allow time for a project proposal to be worked up in more detail
<b>Total of Proposed Investments/Commitments</b>	<b>£3.990m</b>	