Appendix 2

SECURITISATION: SPECIAL PROJECTS INDEX

SP/1 Office Rationalisation

SP1A Depot Rationalisation

SP/2 Care Homes

SP/3 Design and Upgrade Core IT Network Infrastructure

SP/4 Information Technology: Replacement Leasing

SP/5 Integrated Out of Hours / CCTV Facility

SP/6 Transformation of WDC Services to Increase Use of Web Site

SP/7 Energy Savings – Wind Turbines

SP/8 Schools' Estates

SP/9 Kilpatrick Secondary School

SP/10 Debt Repayment

SP/11 Fleet

SP/12 Street Lighting

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SP/1

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Office Rationalisation**
Lead Officer	Craig Jardine
Project Description	At present there are too many under utilised poorly performing and unsuitable offices spread over West Dunbartonshire. This office rationalisation project allows the Council to provide one new centralised facility that will result in the disposal/alternative use of 11 existing offices, 3 of which are leased by the Council. The opportunity to provide new modern office space also allows the Council to implement new ways of working which will increase staff productivity and improve customer service delivery. Good practice, as identified by Audit Scotland in relation to Asset Management identifies that public bodies should be disposing of poorly performing assets to reduce future maintenance liabilities, aligning better assets to service needs and realising capital receipts to support future investment. The time is now right to consolidate and rationalise the Council's Office space linked into new technology and new ways of working to provide fit for purpose modern office accommodation. Five Options were examined: 1) Do nothing; 2) lease new build on Council owned land; 3) lease new build in centralised location; 4) refurbishment of existing Council Offices; and 5) West Dunbartonshire Council fund and own new build option. Both Option 2, lease new build on Council owned land and Option 3, lease new build in a centralised location, delivered equally beneficial financial outcomes as illustrated below. Further work through the detailed business case stage will establish the viability or otherwise of the respective options. In respect of Option 2, the fact that the site is owned by the Council and development would contribute positively to strategic regeneration objectives make this attractive, however, the adequacy of the footprint of the site in respect of accommodation and parking requires further examination particularly if sharing the building with other Public Services is being actively pursued. In respect of Option 3, the Council does not own a suitable centrally located site and would require to go to the market to assess developer interest in such a project. Should such interest exist, then the opportunity for co-located services with Strathclyde Police is worthy of exploration and may provide an attractive solution if planning and other challenges could be overcome.
Benefits	The key benefits to be realised through this project include significant savings on office running costs, realisation of capital receipts for properties being disposed of, reducing the carbon footprint. Leasing a new office facility which will contribute to the regeneration of West Dunbartonshire. Having a new office facility will allow us to introduce new ways of working, improves our position as far as statutory compliance is concerned and reduces our significant backlog in maintenance.
Financial Information	**Initial Capital investment required to implement the project: £2,837,000** **Current revenue cost £1,784,000** **Outline future revenue cost from Year 5 £1,941,000**

	Ongoing annual revenue cost from Year 5 of £157,000 **Backlog maintenance and DDA compliance costs avoided: £4,290,000** **Expected Capital Receipt: £3,760,000**
Assumptions within Outline Option	• Capital Receipt valuations are estimates only and exclude detailed input from planning, roads or ground condition information; • There is a surplus of residential ground available at present in West Dunbartonshire and it may be that the sites identified for disposal could not be sold for a number of years until the market recovers; • New office build running costs based on BCIS £52/m2, to include utilities, cleaning and maintenance; • No planning restrictions relating to Option 4 - refurbishment of existing offices; • No backlog maintenance figures are available for Broadmeadow and Leven Valley offices therefore allowances of £100,000 and £300,000 have been made; • New build office rentals assumed between £16 and £17 per square foot per annum across West Dunbartonshire. • An allowance has been made for the Council's obligation to pay for staff travel for 4 years following an office relocation; • Appropriate land valuations and estimated demolitions costs have been considered within the options considered; • In option considered regarding the possible refurbishment of an existing office the cost of upgrade was assumed at £1,000/m2. Decant costs of £250,000 and professional fees of 15% plus Furniture, Fittings & Equipment (FFE) costs of £250,000 included in overall total of £15.4 million; • Construction refurbishment costs based on present day rates; • Headcount reduction of 10% over the next 5 years; • VAT is excluded from all calculations; • Fit out costs have been assumed to be £350 per m2; • It has been assumed that no rent will be payable in the first year; • Backlog maintenance and DDA compliance works have been apportioned over a 3 year period (when they will still be in the ownership of WDC).
Project Implementation Timeline	It would be expected to take between 4-5 years to realise the total completion of all the aims of this project resulting in a new headquarters building. However, the identification and disposal of the other properties could take place as soon as the project has been supported.
Risks	The main risk is to do nothing as the office estate would continue to deteriorate and the backlog maintenance costs of circa £3.5m and £740k of DDA compliance work would need to be funded. By leasing the new Head Quarters building we are reducing the risk to the Council in relation to development and build costs.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The staffing impact from this proposal includes an assumption that in 4-5 years there will be 10% less staff employed in office based activities by the Council. This project in itself would not reduce staff head count.

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SP/1A

West Dunbartonshire Council: Investment Project

June 2011

Project Title	**Depot Rationalisation**
Lead Officer	Craig Jardine
Project Description	This project required that WDC carry out a high level review of all depots in consultation with the Services who use them and develop medium and long term options that will deliver facilities which will be more efficient and aligned with future needs. A key driver of the project is to reduce the number of depots and at the same time increase the utilisation of space and share facilities across services while maintaining or improving service delivery. This will deliver logistical as well as financial benefits. The ability to reduce running costs by centralising facilities and also the potential to generate capital receipts for sites/properties surplus to requirements are key. As part of the review, the services (Housing Repairs & Maintenance, Roads & Transportation, Fleet & Waste and Greenspace) were asked to provide indicative space requirements for a single depot in a central location. It is also anticipated that the need for a satellite depot will be required at the other side of the authority for certain services due to the issues around access to the A82 and to maintain service resilience. The review highlighted that the future depot provision for these services would be estimated at the following sizes for the main depot and satellite provision: **Building area m2 - 7,200 (48% less than current accommodation)** **Nett site area m2 - 26,300 (8% less than current provision)** **Overall site area m2 - 33,500 (22% less than current provision)** Four Options were examined: 1 - Do nothing 2 - Relocate to an existing location and enlarge/upgrade facility with a satellite provision. 3 - Relocate to a new depot facility purchased by WDC. As per option 2, a satellite provision may also need to be retained. 4 - Relocate to a new leased depot facility within WDC, as per option 2 & 3, a satellite provision may need to be retained. On analysing the options available at present Option 2 (relocation to an extended facility, the core of which is in Council ownership is most favourable and should be developed into a full business case. This option is the most cost effective option for the Council. However, it is proposed that WDC start discussions with Public Sector partners around sharing depot facilities and services as this may influence the overall position and result in alternative options being more favourable. It is also recommended therefore, that the detailed business case examines any opportunity to consider a joint office and depot provision on existing WDC land or other available brown field site.
Benefits	The key benefits to be realised through this project include significant savings on depot running costs, realisation of capital receipts for land being disposed of, reducing the carbon footprint, transforming a site already owned by WDC which will contribute to the regeneration of West Dunbartonshire. Having this enlarged/upgraded depot facility will allow us to introduce new ways of working, improves our position as far as statutory compliance is concerned and reduces our significant backlog in maintenance.
Financial Information	**Initial Capital investment required to implement the project: £3,398,000**

	Current model revenue cost £640,000 **Outline future revenue cost at year 4 £451,000** **Ongoing annual net revenue benefit from Year 4 of - £153,000** **Outline future revenue cost from Year 10 £390,000** **Ongoing annual net revenue benefit from Year 10 of - £230,000** **Potential capital receipt £1,125,000**
Assumptions within Outline Option	- All depots are owned by WDC - Condition grading provided by WDC Asset Management Team and current as at 2008 - Review excludes staffing costs as this could double count savings from other reviews - Property running costs provided by WDC Finance and exclude vehicle fuel costs and staff - Site purchase costs for Option 3 are based on £120,000 per acre. - Site rental costs for Option 4 are based on £5.50/sq ft - Satellite depot required is based on 200m2 of welfare/messing facilities, 1,300m2 of hard standing and a salt barn for 3,000t - Assumed no grants are available for a new depot - Options 3 & 4 new Depot building running costs based on £30 per m2 - Options 2, 3 & 4 construction new build and refurbishment costs based on present day rates and exclude any site abnormal costs - Costs for both Options 2, 3 & 4 include 15% Preliminaries, 15% Professional fees and 10% Contingency - Costs associated with phasing of the works and migration/decants have been excluded - No backlog maintenance figures are available for the existing depots. Therefore under the do nothing option, allowances have been made based on the costs provided by WDC for the past 4 years plus a further backlog maintenance allowance of £100,000 per year (approx £5/m2 GIA) with a compound growth of 5% per year - Capital receipt valuations are estimates only and exclude detailed input from planning, roads or ground condition information - An allowance of £250,000 has been made under Option 2 for minor office upgrades to existing facilities (this would cover items such as a new centralised reception etc) - An allowance of £25,000 has been made to move existing machinery and equipment from both the Clydebank and Dumbarton depots to the new build facility under Options 3 & 4 - Allowances for additional expenses for compulsory transfer (4 years) of staff due to Depot relocations has been based on advice from WDC HR and indicative staff numbers from the Services affected - Legal boundaries and planning input would require to be verified as part of the detailed business case - VAT is excluded from all calculations
Project Implementation Timeline	It would be expected to take between 2 to 3 years to realise the total completion of all the aims of this project resulting in the enlarged/upgraded depot with appropriate satellite provision.
Risks	The main risk is to do nothing as the depot provision would continue to deteriorate and the backlog maintenance costs of £100,000 per annum (allowance only as full extent is unknown at this time) would need to be funded.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project in itself would not have any staff impact.

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West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Care Homes for Older People**
Lead Officer	Stephen West
Project Description	This project is to provide appropriate care accommodation for older people in the Care Homes run by West Dunbartonshire Council. The project aims to bring the Council's Care Home Estate up to an appropriate standard. This project would therefore revise the current estate and proposes to extend Langcraigs Care Home to a capacity of 60 beds and also proposes the closure of Willox Park Care Home. In addition, the proposal would fund the improvements identified in the CIPFA conditions survey for Langcraigs Care Home. The proposal would also see the closure of 2 care homes in Clydebank, namely, Boquhanran House and Mount Pleasant Care Home and see them being replaced with a new 60 bed care home in Clydebank. Finally, there would be an option to bring Dalreoch and Frank Downie House up to Care Commission Standards and again, complete the work identified in the CIPFA Conditions Survey. It is critical that any consideration regarding investment in Care Homes properly consider the wider agenda to maximise provision of care at home which will impact on housing policy. Policy direction for the Council in relation to these matters should underpin decision making and as a consequence the detailed business case should explore all options, including the ability of other sectors to meet future need.
Benefits	The key issue for this proposal centres on the potential of achieving efficiency savings by replacing 3 existing care homes with 2 new larger remodelled care homes. This is expected to allow a more efficient use of resources in the provision of suitable care for residents of these care homes.
Financial Information	**Initial Capital investment required to implement the project: £9,465,000** **Current revenue cost £7,533,000** **Outline future revenue cost from Year 4 £6,581,000** **Ongoing annual revenue benefit from Year 4 of -£952,000** **Upgrade costs relating to Care Commission Standards costs avoided: £2,700,000** **Potential capital receipt: £390,000 (excluding further potential arising from Willox Park)**
Assumptions within Outline Option	1. Information on assumptions made for each of the options is detailed on each of the Appendices; 2. It has been assumed that in order to manage capacity in relation to care management issues around potential for decanting service users between care homes during extension, remodelling and upgrade that the works will be phased. This creates time delays in achieving savings which could be removed if the process can be managed faster, however the care of service users is of critical importance during the proposed process. The phasing will also allow for workforce planning to take place in order to minimise the creation of excess posts as a result of remodelling. The order assumed for the financial analysis is as follows: • Langcraigs Care Home extended and remodelled. This is expected to be relatively straight forward as Council owns the land adjacent to Langcraigs Care Home; • Willox Park Care Home closed by moving residents to new provision at Langcraigs. Willox Park is unlikely to be able to be upgraded to Care Commission Standards without very significant expenditure and with the capacity of the extended Langcraigs this would make most sense rather than Dalreoch Care Home, which can be upgraded within potentially reasonable costs;

	• New build Care Home built in Clydebank area. Likely to take longer to develop due to site availability issues - though this may not take as long as identified within the financial models; • Closure of Mount Pleasant and Boquhanran House by moving residents to the new build Care Home in Clydebank area. Boquhanran House identified as it is unlikely to be able to be upgraded to Care Commission Standards without very significant expenditure and with the capacity of the estate in Clydebank this would make most sense rather than Frank Downie Care Home, which can be upgraded within potentially reasonable costs and without affecting Day Care provision located in Frank Downie; and • For Option 6 upgrade Frank Downie and Dalreoch Care Homes - though this need not be in any particular order. Suggest left to the end of the process as no significant financial gain is obtained from these two Care Homes. 3. Any potential for the Council to extend its number of beds in order to offer to the public a number of privately funded beds which would subsidise Council funded places has not been considered at this stage. 4. Assumes availability of existing Council land in Clydebank - therefore no land costs. 5. Assumed that this extension can be built with a requirement to decant 50% of current residents of Langcraigs for 26 weeks 6. No assumption has been made re any capital receipt from Willox Park site, as the value of this land would be inhibited unless the current Sheltered Housing is also removed from the site. Assuming that can happen then the potential receipt would be £1.250m. Assumed land for the other two existing sites is sold 2 years after closure of homes at land valuation of £390,000 net of demolition costs 7. Assumes any bed capacity lost is reprovided via external provision and is costed at Nursing Care costs: Overall reduction in beds from 127 (36+28+35+28) to 120. 8. Assumes that the larger client within the two new care homes along with appropriate efficient care modelling of the care homes will allow significant care cost reduction to take place of 30% 9. All employees are redeployed at no cost to other posts within the Council. If not then alternative is to allow people to leave from the care sector via voluntary severance/early retirement with associated costs. Assumption is that this reduction can be managed through planned turnover across CHCP.
Project Implementation Timeline	The regeneration and remodelling of Care Homes Estate could be completed by 2014/15 if the business case is approved by December 2011.
Risks	One risk is that the expected/required efficiencies through a reduction in staff to care home residents is reduced. Another risk is that Employees affected by the Rationalisation of the new care model are not able to be redeployed to suitable alternative employment. There may be significant clients / carer opposition to the proposals.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The reduction in the number of staff required for the new model within care homes will have a direct impact based on the assumption of a 30% efficiency in staffing levels as a consequence of improved design. This equates to approximately 62 FTEs. It would be hoped that any staff who are no longer required in their current position would be offered alternative suitable employment within the Council.

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West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Design and Upgrade Core IT Network Infrastructure**
Lead Officer	Patricia Marshall
Project Description	The current ICT Network Infrastructure was developed on a 'location by location' basis using departmental budgets. There was little interest in planning for future capacity or building in resilience. The end result is that the current network within the Council has a wide range of components with varying capacity and little resilient fail over built into network components. The Design and Upgrade the Core IT Network Infrastructure is a key area of work for many others of the Council's proposed Securitisation Projects and work programmes. During the development of other proposals, the requirement to redesign and upgrade the Council's Core IT Infrastructure has become more and more apparent. Several of the proposed bids for securitisation funding have highlighted their dependency on this work, namely: (i) Out of Hours - CCTV; (ii) Office Rationalisation; (iii) IT Desktop Replacement; and (iv) Business Transformation. All significant network design now must consist of converse services to fully realise the savings potential - realise release budget increase capacity and reduce revenue costs. It is essential to use the underlying infrastructure to deliver as many services as possible and remove the need for physical telephony, rented telephony, physical CCTV Infrastructures and all associated maintenance charges other than having three separate systems, each with their own separate infrastructure and associated costs. A converse network approach allows a new network topology to be designed, not only to accommodate all the services but to accommodate them in a robust and resilient manner. The proposal will see the core infrastructure between WDC's main network sites being connected to each other by a one Gbps (gigabit) fibre connection which is ten times the band width of the current connection.
Benefits	Through the convergence of multiple services, we will realise a number of benefits and efficiencies, these include improved band width between core network sites, improved network resilience providing benefits to all users in our main locations convergence and segregation of the traffic allowing service quality to be added to specific services such as voice. By having a robust improved core network infrastructure it will allow the Council to have a platform to build on to deliver further medium to long-term service improvements through technology.
Financial Information	**Initial Capital investment required to implement the project: £178,000** **Current revenue cost £662,000** **Outline future revenue cost from Year 4 £956,000** **Ongoing annual net revenue cost from Year 4 of £294,000** (The savings arising from the other proposals that are dependant upon this Design and Upgrade Core IT Network Infrastructure Proposal have not been included within this bid).
Assumptions within Outline Option	• Line rental costs are based on current 3rd party charges; • WDC is aiming to reduce it overall property estate and will make savings on existing assets as well as line cost associated with those assets; • Opportunities may arise where it would be cost effective for WDC to lay its own fibre cabling (usually this is considered in conjunction with utility suppliers plans to carry out planned work). However this has not been included in the costs at this time;

	• Line usage charges will remain static; • This business case will be considered alongside following business case documents as the upgrade to ICT core network infrastructure enables the delivery of these projects. Collectively they present the full case for upgrading ICT Core Network Infrastructure: o IT equipment replacement - leasing WDC Investment Assets o Transformation Web & Contact centre WDC Investment Assets o Office Rationalisation o CCTV
Project Implementation Timeline	It would take 36 months maximum to fully design and introduce the new Core IT Infrastructure. However, much of the work can be done within 24 months.
Risks	In order to ensure that an effective design for Resilient Network Infrastructure is implemented, there will be a need to secure funding for a Network Design Specialist to design a future proof network. Another risk would be the failure of the successful delivery of the other dependant projects such as CCTV, Office Rationalisation, Business Transformation and ICT Equipment Replacement.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case Stage phase of this process.
Staff Impacts	The staffing impact from this proposal would only be felt through the four dependant projects. This project in itself would not reduce staff head count.

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SP/4

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Information Technology: Replacement / Leasing**
Lead Officer	Patricia Marshall
Project Description	The key objective of this project is to deliver an up-to-date and standardised IT estate to all Council staff and pupils and ensure that this standard is maintained on a 5-6 year annual rolling programme. There are approximately 7,500 devices (servers, pcs, laptops and netbooks) deployed within the Council. Our schools account for 5,000 of these devices. Much of our ICT Desktop equipment used throughout the Council is in excess of 4 years old. A member of staff should be able to work at any Council location and have access to the same standard of IT equipment and service. This project will also facilitate those groups of people who require to utilise mobile/flexible technology with the introduction of hardware such as netbooks and handheld devices. The preferred approach to implement our objective will involve investment in the infrastructure licensing and network infrastructure as software would be delivered in future from servers rather than locally on pcs and laptops.
Benefits	The main benefit of this option is the reduced dependency on desktop devices and a change of focus to delivering applications and IT services from central servers. This change in emphasis greatly reduces the need to support and install applications held locally on 7,500 devices and instead allows for the majority of applications to be installed once onto centrally held servers and then used from the central application. Other major benefit is the flexibility for all staff and Members to use any pc in any location thereby a key driver to support the office rationalisation project.
Financial Information	**Initial Capital investment required to implement the project: £3,547,000** **Current revenue cost £808,000** **Outline future revenue cost from Year 4 £760,000** **Ongoing annual net revenue benefit from Year 4 of -£48,000**
Assumptions within Outline Option	• Level of support required for aging equipment (in many cases equipment older that 7 years) is more than is required for new IT equipment; • No first line support will be undertaken by WDC staff but rather all support for leased/new equipment will be delivered by 3rd party; • Percentage of time spent by ICT support staff on supporting both corporate and schools PC estate has still to benchmarked. For example, currently Education ICT staff undertake additional duties such as audiovisual set up and electrical appliance testing, neither of which will be replaced by a 3rd party leasing or replacement contract; • Contract estimates provided by a single 3rd party provider for the purposes of this business case will be tested with other suppliers prior to proceeding with this project; • Refreshment programme is based on a 4 year old machine; • No of Units is estimated at 7,500 (2,500 corporate and 5,000 in Education); • IT staff would be displaced if considering leasing and thin client options; • FTE savings are based on 10 staff at Grade 5 (although this is likely to be a mixture of Grade 3 to Grade 6 staff); • Assumed current annual spend (£291 K) is spend on upgrades rather than PC breakdowns based on Info from Webuy and 10% added for any rogue spend by departments; • Average cost of unit is based on cost of PC and Monitor package £464, Cost of License per unit is based on cost of Windows Pro provided by Webuy Team at £57; • Assumed that managed service cost would increase by 40%, not linear as with Roll out and

	Lease of network costs; • It is assumed that a planned roll of purchased hardware can be completed without additional staff requirement; • It is assumed any broken PCs will be replaced by a low spec device / terminal rather than upgrade or repair and 15 year replacement cycle is assumed; • Voice delivered Over Internet Protocols (VOIP) is only required for staff with existing telephone access rather than for pupils; • Existing server, storage and data communication infrastructure require upgrade; • Delivering a standard build (whether via replacement or thin client) reduces FTE • The preferred option is dependence on Update of Core ICT Infrastructure being delivered
Project Implementation Timeline	It would take 12-18 months to implement this programme.
Risks	Should this project not be funded, there is a risk that the current IT estate will fail to deliver for the future. In terms of implementing this project, a risk highlighted is that thin-client technology does not deliver users' expectations. To mitigate this we would propose to pilot and test technology options with user departments. There is a need for all departments to adhere to the replacement cycle and procedures and not retain equipment that has been classified as redundant – this is especially relevant within school education environment where schools try to maximise the number of devices available to pupils by continuing to use old and inferior IT equipment that is no longer fit for purpose and carries a support cost. The support and maintenance costs for the upkeep of ageing equipment will continue to escalate as the hardware becomes more susceptible to breakdown and performance management. This project is dependant on Core Infrastructure proposal being implemented.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The staffing impact directly generated from this option is a 10 FTE posts in ICT. These savings would start in year 2, with the loss of 5 FTEs and all 10 posts from year 3.

αβχδε	**SP/5** **West Dunbartonshire Council: Investment Project** **May 2011**
Project Title	**Integrated Out of Hours / CCTV Facility**
Lead Officer	Stephen West
Project Description	This proposal is for the development of an Integrated Out of Hours/CCTV Facility, providing a solution to two important needs, the need to upgrade the current public's space CCTV system and the need to rationalise the Council's Out of Hours Services. By investing in up-to-date Contact Centre Technology, there are potentially substantial savings in revenue costs. Due to the technical requirements of this project, the physical location of the proposed facility could have substantial implications for the investment required. It has been assumed that work in integrating and rationalising the Council's Core ICT Infrastructure will be funded and undertaken as a priority for the Council and as such will act as an enabler for this project. The Council functions impacted by this proposal to develop and Out of Hours Contact Centre is anticipated to be Homecare, Community Alarms, Out of Hours Social Work Standby Service, Housing Repairs and Homelessness, Property Management (Fire and Security Alarms) and Community Safety and Anti-Social Behaviour Services. There may be an opportunity to work with other partners such as Police, Fire and Rescue and Housing Associations could be a possibility. Though the recommendation from the outline case is to seek a new facility for this service there is confidence that there is sufficient existing accommodation which would be able to accommodate this facility temporarily until the new headquarters building was available.
Benefits	Our CCTV technology is old and this proposal gives an opportunity to develop up-to-date CCTV provision fit for purpose within West Dunbartonshire. A more efficient call handling service and the potential for increased contact hours would be achieved. Our approach would bring a much smarter approach to buildings insurance, resulting through the use of smart technology linked to the new call centre generating reduced insurance premiums.
Financial Information	**Initial Capital investment required to implement the project: £1,475,000** **Current revenue cost £1,499,000** **Outline future revenue cost from Year 4 £1,266,000** **Ongoing annual net revenue benefit of -£233,000 from Year 4, rising to -£268,000 from Year 10**
Assumptions within Outline Option	• Costs of new provision are derived from benchmarking and use of industry standards, along with quotations from a single supplier, these costs need to be fully tested; • That the Council wishes to continue to provide a CCTV service within West Dunbartonshire; • That in order to retain current service levels an interim solution for the service would be required and that the new service will be moved to any new Council HQ when it is ready for occupancy -

	costs of relocation included; • That all current out of hours services are included in the project going forward; • That insurance premiums can be reduced through improved security and resilience of security - this has to be fully tested with the Council's insurers; • That by aligning current fire and security alarms to the new contact centre there is the potential to generate savings from security and fire contracts - this needs to be fully tested; • That additional income can be generated by increasing partner agency uptake of CCTV systems thereby raising new income - this requires to be fully tested; and • The level of staffing resource required to run the new integrated service has been estimated, more detailed analysis is required regarding expected demands to generate a more detailed fully costed establishment for the new service.
Project Implementation Timeline	The initial phase re provision of CCTV and monitoring stations and integration of other contact arrangements could be done within 12 months of funding being made available. However, the technological dependencies with the ICT Core Infrastructure proposal is critical. Once the facility is established, additional services would be incorporated into a process of several level agreements and upwriting of protocols. These services would be taken into the new Out of Hours/CCTV service over the next 24 months.
Risks	There are a number of important assumptions that have been made at this stage which result in our option generating favourable returns. These need to be investigated and clarified in the detailed business case. As stated, this project is entirely dependant upon the Core ICT Infrastructure proposal receiving its required investment. There is a risk should this project go ahead and be located in an existing building prior to the establishment of a new Headquarters building. This would result in additional installation costs which have still to be calculated, if in actual fact the facility was moved to be housed in the new HQ building.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The staffing impact from this proposal would see a reduction in the number of staff employed in CCTV / Out of Hours Service. The actual figures would need to be analysed and identified during the next stage - the detailed business case.

αβχδε	**SP/6** **West Dunbartonshire Council: Investment Project** **May 2011**
Project Title	**Transformation of WDC Services to Increase use of Web Site and Contact Centre**
Lead Officer	Patricia Marshall
Project Description	The overall objective of this proposal is to deliver improved services to the residents of West Dunbartonshire by the most cost effective and appropriate way ie. providing facilities for residents to self-serve 24/7 and also increasing the number of services that can be delivered at a single point of contact via standard customer focused, phone and face-to-face processes. It is proposed that there are four high level transformation business projects namely in Repairs, Council Tax, Bookings and Home Care that are the priority. Self-Serve is the most cost effective delivery channel open to the Council. The costs per transaction (based on industry standards) range from an estimated 17p for transaction on the web compared to a face-to-face transaction which is costed at estimated £7.81. There is an opportunity to build on the Council's Customer Centre through moving more front-line services, enquiry handling and service requests where appropriate, to the contact centre. Expected outcomes would see that standard customer engagement processes will be in place. An increase in both range and volume of transactions be delivered via website and contact centre, thereby reducing the overall service delivery costs. It is appreciated that not all front-line service enquiries can be dealt with in this way and the more traditional face-to-face transactions will still take place but at a much reduced level.
Benefits	More Council services will be available to our residents 24/7via our website. A comprehensive fully transactional website encompassing the latest in digital technologies will serve our Customers' needs now and into the future and will be available to our residents on the go via phones etc. Our approach will simplify the assessment process, reduce customer waiting time and use less resources.
Financial Information	**Initial Capital investment required to implement the project: £2,445,000** **The ongoing annual net revenue benefit from Year 4 of -£564,000.** **This comprises elements of a range of services which would be reviewed through business transformation projects and represents the estimated cashable saving from significantly reducing processing time, customer contact time, etc. It is not possible to identify the full costs of the services which are included at present, however they are significant service areas, where, following the reviews the service costs are expected to be £564,000 lower than at present.** **It is also expected that this project will release a similar level of non-cashable (time-releasing) efficiencies.**
Assumptions within Outline Option	• High level business cases will identify similar efficiencies to those identified during Diagnostic Pathway Project; • Technology and resourcing costs will be sufficient to implement the

	transformation projects; • Service departments will implement the new approved processes identified during business case stage in order to generate the resource release; • Bench mark data is available within departments or can be gathered to evidence the current and future service delivery costs; • Adjustments have been made relating to changes already made to service delivery since DPP data was collected; • Council will ensure services are still available as face to face services whilst still offering additional cost effective channels; • The estimated savings generated for changing the channel by which customers contact the Council from expensive face-to-face to online is based on an estimated one million transactions per year; • That considerable service and role redesign is needed to realise the target FTE savings as these roles are often currently only a part of Current FTE posts roles and are therefore more difficult to capture; and • It has therefore been assumed that the potential benefits are 50% cashable and 50% non-cashable.
Project Implementation Timeline	It would take 24 months to implement the four transformational projects identified within this proposal.
Risks	A significant risk is that that the statistics and savings gathered during the diagnostic pathways project in 2009, may not accurately reflect the current service statistics, therefore, work will need to be done to undertake a more detailed analysis for each of the four transformational project areas before investing the funding required. Another risk identified is that the Customer First Transformation Programme needs to be fully resourced to deliver on time and to deliver the impacts and savings expected. This project is dependant on Core Infrastructure proposal being implemented.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The staffing impact directly generated from this proposal is that up to 25 FTE posts could be reduced from an estimated total of 275 staff, who deal with initial enquiries from residents. These FTE posts reductions would take place over the first five years after the full implementation of the four transformational projects within this proposal.

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SP/7

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Energy Savings - Wind Turbines**
Lead Officer	Craig Jardine
Project Description	The Council's Environmental Charter is committed to reducing energy consumption, encourage the use of alternative fuels and renewable energy sources, promote energy efficiency and conservation and recover and re-use energy. Therefore, the key objective of this project is to develop a portfolio of wind energy sites of which the energy rights could be sold to a private sector developer or upon which West Dunbartonshire Council take an equity share as a joint venture partner with a commercial developer to pursue the goal of having a 12 megawatt coverage of renewable energy within the WDC area. The sites of the wind turbines would provide an estimated cash return to West Dunbartonshire Council of £4m in addition to an annual revenue income of approximately £60,000 index linked for 25 years or if the Council were minded, a more substantial annual return as a revenue share if West Dunbartonshire Council chose the JV Model. There is an ever growing market in UK onshore wind, for the purchase of consented sites (sites which have planning permission, grid connection in place). Development Costs (the cost of planning and development process) are on average about £75,000 per megawatt whereas the sale price for the energy rights to a site with planning consent are approximately between £300,000 and £500,000 per megawatt. A number of sites have been identified as being capable for single turbine development and/or larger development of two or more turbines being considered. Single turbine sites include the Vale of Leven Academy, Carleith, Dalreoch, Aitkenbar, Edinbarnet and St Joseph's Primary Schools. The multi turbine sites being looked at include Pappert Community Woodland, Castlehill fields, Overtoun fields, Dalmuir Golf Course and Auchnacraig in Faifley. This 12 megawatt project would generate approximately 28 million kilowatt hours of electricity per annum for use by West Dunbartonshire Council and for export to the grid.
Benefits	The benefits of progressing with this proposal is the link to the Scottish Government's priority of increasing the use of renewable energy and contributing to the commitment of WDC's Environmental Charter. From a financial perspective the key benefits would be for the returns either from the sale of a portfolio of land which would already have the appropriate planning permissions, this would result in a substantial capital receipt or alternatively increase benefit would be achieved financially if we entered into a joint venture with an appropriate energy developer and benefited from substantial financial return over the 25 years of energy production.
Financial Information	**Initial Capital investment required to implement the project: £900,000** **Expected capital receipt in Year 2 of £4,000,000, plus ongoing annual net revenue benefit of -£59,000 (rising annually thereafter to -£103,000 in Year 25)** Note: The figures shown above relate to the most straight forward model whereby the Council would gain planning permission for its land and sell the development rights to an energy developer for £4m and receive an annual rental over the 25 year period. There are no current revenue costs which will be affected by this project, and the ongoing new revenue benefit identified relates to expected levels of rental income for the sites used for the wind turbines.
Assumptions within Outline Option	The financial information identified is based on current market rates in terms of costs and similarly for expected returns in terms of the sale value of the energy sites. The costs should be subject to competitive tender and the sales assumptions subject to a competitive dialogue process undertaken concurrent with the development of the site portfolio.
Project Implementation Timeline	If the model above was chosen this project could achieve planning approval, have identified and concluded a sale with an energy developer by 2012.

Risks	The risk of over valuation is mitigated by rigorous checking of sales of comparable sites and early engagement with the market to identify and select potential purchasers. There are risks in the Council committing to upwards of £900,000 investment in development costs to achieve the appropriate planning approvals. However, work is ongoing by an energy consultant to mitigate this risk by looking at all the sites from the technical, environmental and economic perspective.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project in itself would not have any impact on staff head count.

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SP/8

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Schools Estates**
Lead Officer	Craig Jardine
Project Description	The Council has identified the construction of a co-located school, an early education and childcare centre in Bellsmyre as its top priority for the regeneration of the Schools' Estate following the delivery of the new Dumbarton Academy. Currently the Bellsmyre area contains two primary schools, St Peters (Roman Catholic Primary School) and Aitkenbar (Non-Denominational Primary School). Both schools are located in buildings which are in poor physical condition, both schools have significant over-capacity due to falling rolls in the area over many years. Current roll projections indicate that the rolls of both schools will remain largely unchanged for the foreseeable future. In the course of extensive public consultation exercises on the regeneration of primary school estates, it is clear that both school communities would favour the construction of a new school campus comprising co-located non-denominational and denominational primary schools. The preferred site for the co-location would be the current St Peter's campus. It may be possible that the Council could also work with the community to co-ordinate this project with another project funded by an external grant which is being made to the Bellsmyre Community to provide a replacement for Howattshaws Hall and as such a facility could be incorporated within the new co-located school design. In addition to this school project, the proposal will also consider the prioritisation of refurbishment options across the primary school estate as detailed within the school estates strategic plan.
Benefits	As stated, the two Bellsmyre Primary Schools are in poor physical condition, their traditional designs are not suitable for the delivery of modern education with a variety of teaching and learning approaches. The pupils would benefit greatly from a well designed school to assist in the delivery of the Curriculum for Excellence. In addition, some financial benefits would be realised through there being no need to carry out backlog maintenance and additional property costs. There would also be a capital receipt achieved through the sale of the Aitkenbar Primary School and a capital receipt for the early education and childcare centre.
Financial Information	**Initial Capital investment required to implement the project: £11,394,000** **Current revenue cost £7,533,000** **Outline future revenue cost £6,581,000** **Ongoing annual net benefit from Year 5 of -£ 73,000** **Backlog maintenance costs avoided £1,420,000** **Expected capital receipt: £875,000** These costs relate only to the build costs and savings generated from the building of a new school in Bellsmyre. In terms of further financial support, regarding the refurbishment of other primary schools, the school refurbishment plan and priority order has an expectation of £2.2m for Carleith Primary School, £400,000 for

	St Mary's Primary School and £3.4m for Our Holy Redeemer Primary School as the top 3 priorities.
Assumptions within Outline Option	• The roll for each new school going forward has been projected at 150 pupils each and the costs identified are based on this; • That a single Early Years centre is included in the project by amalgamating the current 2 centres into a single centre on the site of the new build; • Gross internal floor area to be a maximum of 5,400m2; • Inclusive build rate to be £2,110m2 (medium spec rate based on RICS mean value); • Consultation, design and procurement phase January 2012 - March 2013; • Begin construction July 2013; • Construction completion September 2014; • Occupy new build October 2014; • Demolish existing school buildings at various times as required by the project programme; • Provide a modern flexible building that delivers accommodation that complies with the ethos of Curriculum for Excellence; • Reduce backlog maintenance by investing in a new co-located school; • Dispose of surplus land at Aitkenbar P.S and Andrew B Cameron EECC, a Capital Receipt for the surplus land will be marketed as soon as the site becomes vacant. Aitkenbar is valued at £800,000 and ABC EECC is valued at £75,000; • The estimated size of the new school is based on current and future need; • The new facility will improve staff morale; and • Improved flexibility for teaching.
Project Implementation Timeline	If the procurement phase began in January 2012, it would be expected to occupy the new school building by October 2014. The sale of surplus land and the other refurbishment works of primary schools would need to be timelined.
Risks	Key risks of not approving this proposal would be the resultant deterioration of the school building and an increase in the backlog maintenance costs. There would be an increased risk of not meeting our statutory requirements in terms of DDA, Health and Safety, PAT Testing etc.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project in itself would not impact upon staff head count.

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SP/9

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Kilpatrick Secondary School**
Lead Officer	Craig Jardine
Project Description	The proposal is to build a new secondary school within the existing grounds of Kilpatrick School and utilise this new building to attract additional pupils from outwith the Council area. Kilpatrick School is the main special school in West Dunbartonshire with a total roll of 137 pupils. There are 56 in the primary and 81 in the secondary. The building serving the primary school is in good condition and fit for purpose, having been rebuilt following a serious fire in April 2000. However, the secondary school, constructed in 1960, is in poor condition both externally and internally. It is a cause for concern that the most vulnerable young people of secondary school age within West Dunbartonshire attend school in a building which falls well short of the standards which could reasonably be expected for young people with additional support needs in the 21st century. Currently, some parents resident within West Dunbartonshire choose to submit placing requests for their children with additional support needs for schools in other local authorities because they believe that these schools provide better facilities than those currently available in Kilpatrick Secondary School. If we were able to improve and provide a higher level of service to these children and their families through more modern facilities, such parents would be more likely to send their children to Kilpatrick School. If this were to happen, then there would be a significant financial saving to West Dunbartonshire Council since the cost of placing a pupil in a school outwith the authority is significantly higher than the cost of provision of a place within our own facilities. It is also likely that a new school building would attract placement requests from parents of children with additional support needs from outwith our local authority area.
Benefits	The integration of ICT into the design of the new school building and the provision of break-out spaces adjacent to classrooms, will enable teachers to employ a wide range of teaching approaches which are appropriate to the needs of the learners and in the context of which learning takes place. At present the limitations of the Kilpatrick Secondary building means that staff are much more restricted in the teaching methods available to them. There would be a reduction in placing requests to other providers and the Council would be able to maximise upon income from other local authorities from placing requests.
Financial Information	**Initial Capital investment required to implement the project: £6,050,000** **Current revenue cost £5,790,000** **Outline future revenue cost from Year 5 £5,280,000** **Ongoing annual net revenue benefit from Year 5 of -£510,000** **Backlog maintenance costs avoided: £1,100,000** **No capital receipt has been assumed, though this will be investigated further in the detailed business case.**
Assumptions within Outline	• To provide a new Kilpatrick School on the ground next to the

Option	current Kilpatrick Primary building providing; • Gross internal floor area to be a maximum of 2,646m2; • Inclusive build rate to be £2,275m2 (medium spec rate based on RICS mean value); • Consultation, design and procurement phase January 2012 - March 2013; • Begin construction April 2013; • Construction completion June 2014; • Occupy new build over summer 2014; • Demolish existing school September - November 2014; • A Capital Receipt for the surplus land will be dependent on planning and given the issues with previous planning consent this could be problematic; • That the new facility will reduce dramatically the number of placing requests to 3rd party providers; • That the new facility will attract placing requests from out with WDC; • The estimated size of the new school is based on current and future need; • That WDC continues to provide A.S.L provision; • The new facility will improve staff moral; • The new facility may attract staff from other areas; and • Improved flexibility for teaching.
Project Implementation Timeline	From seeking approval in November/December, following the development of the full business case, it would be expected that the new school would be open for the session after Summer in 2014.
Risks	There is a risk in the assumptions made in relation to the financial figures based around this proposal in that it is assumed that 12 children who reside within West Dunbartonshire but attend schools outwith the area will, in fact start to attend Kilpatrick School when it is rebuilt. In addition, the financial figures also assume that 5 children from outwith neighbouring Councils will select Kilpatrick School as their education location of choice. During the detailed business case, further work will be done to ensure that these figures have been tested and are robust.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	The staffing impact from this proposal would see 3 additional teachers and 3 additional learning assistants being employed in the new facility.

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SP/10

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Debt Repayment**
Lead Officer	David Connell
Project Description	The overall objective of the Debt Repayment Project is to illustrate the total annual savings that could be generated by using all (or some) of the £35m expected to be raised through the Securitisation Project. A number of debt management models were investigated including debt repayment, deferred capital borrowing, capital fund, debt rescheduling and writing off old premiums. After examination debt repayment and deferred capital borrowing were seen as the best approaches to generate substantial savings which could range from approximately £480,000 to £78,669,000 depending upon the level of receipts used in this way (£1m up to £35m) and the time period of the savings.
Benefits	This proposal would provide a benchmark against which the financial benefits of other business cases could be measured. This proposal would also contribute to the reduction of specific treasury risks such as credit risk, liquidity risk, re-financing/maturity risk and market risk.
Financial Information	**Costs in Year 1:** **£** Depends on amount Invested **Costs over 25 year period:** **Capital** **£** **Revenue** **£** **Total** **£** **Total Savings over 25 year period:** **£** **Overall Savings of the Project over 25 Year period:** **£**
Project Implementation Timeline	This project could be implemented immediately after its approval. The sum of money to be invested would either be allocated to paying off existing debt or deferring capital borrowing and using a sum of money from the Securitisation pot, thus saving further interest payments.
Risks	Risks associated with this option relate to the management and reduction of specific treasury risks as identified above. The main risk in this case would be market risk, whereby interest rates could increase above that assumed in the model.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project has no impact on staffing.

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SP/11

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Fleet**
Lead Officer	Ronnie Dinnie
Project Description	The existing fleet of 378 road going vehicles ranges from specialist HGV vehicles for winter maintenance, waste management and street cleaning services to cab derived - light vehicles for use by technical and supervisory staff. Over the past 3 financial years, there have been limited capital allocations made to the vehicle replacement programme and as such the age profile of the fleet, has increased, particularly in the specialist and HGV segment. Associated with the ageing fleet the costs of maintenance and repair has increased and fleet reliability is now being tested with particular issues surrounding the winter maintenance fleet following two consecutive extremely cold winter periods. Capital purchase and leasing options were investigated. Leasing provides the best terms at this time and is the proposed method of procurement. This proposal seeks funding to procure, commission and deploy up to 40 specialist/HGV replacement vehicles with an estimated completion date of March 2012.
Benefits	Benefits include a reduction in maintenance costs, maintenance and hire costs and improve service delivery, reliability, reduce vehicle down time and the projection/maintenance of a positive image of the Council within the Community.
Financial Information	**Initial investment required to implement the project: £3,100,000** **Current revenue cost £555,000** **Outline future revenue cost from Year 2 £535,000** **Ongoing annual net revenue benefit from Year 2 of -£20,000**
Assumptions within Outline Option	• Vehicle repair costs will increase as the fleet gets older; • the same level of usage of the fleet will continue; • a reduction in fleet down time associated with replacing the fleet; and • customers/users will have a consistent level of service from a newer fleet.
Project Implementation Timeline	This project could start immediately. It could be phased over a 2 year period with the investment being split £1.5m 2011/12 and £1.6m 2012/13.
Risks	Limited risks are associated with this project as it primarily involves the procurement of vehicles within existing procurement protocol involved in the Scotland XL.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project in itself would not have any staff impact.

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SP/12

West Dunbartonshire Council: Investment Project

May 2011

Project Title	**Street Lighting**
Lead Officer	Ronnie Dinnie
Project Description	The existing street lighting infrastructure has as a result of continual under-funding now deteriorated to such a condition that this issue needs to be addressed. Over 7,000 street lighting columns far exceed their design life expectancy and are now in a critical condition. Sustained financial support is required to bring this essential public requirement into a safe condition to ensure the ongoing maintenance of an efficient and safe street lighting asset which benefits our communities. The expected financial benefits will be demonstrated through reduced maintenance costs, reduced power consumption and less liability with respect to future public liability claims as we decrease the risk of street lighting columns failing due to corrosion and placing the public at risk of injury. It is proposed that 7,000 street lighting columns will be replaced within the next 5 years. Estimated cost of removing of a structurally unsound column is £1,000 per unit. Without this proposed investment the Council is still going to be duty bound to fund the £7m costs of removing dangerous columns. This project gives us the opportunity to look at columns that can use advanced technology in terms of LED lanterns, dimmable control gear and time switching to reduce revenue costs through lower maintenance liability and reduced the energy consumption.
Benefits	The benefits of this project will be a significant reduction in maintenance costs and power usage and also improved safety for the public.
Financial Information	**Initial Capital investment required to implement the project: £12,000,000** **Current revenue cost £926,000** **Outline future revenue cost from Year 10 £845,000** **Ongoing net revenue benefit from year 10 of -£73,000**
Assumptions within Outline Option	• columns will continue to deteriorate over time, increasing failure; • repair costs will increase if we do nothing; • energy costs will increase if we do nothing; and • safety concerns would not be addressed if we do nothing.
Project Implementation Timeline	This project could commence immediately but would take 12 years to be fully implemented.
Risks	The risks associated with this project can be identified as • Service failure with some 40% of the assets significantly and dangerously exceeding the design life expectancy of infrastructure; • Reputational Risk - whilst there is no obligation to light our roads, our communities do however expect them to be lit; • Public Liability Risk - a failing infrastructure which could knowingly endanger the public would place the Council in a difficult situation; and • Financial Risk - the knowledge of the condition of street lighting infrastructure, the Council faces the dilemma of having to take down any infrastructure known to be unsound at the cost of £1,000 per column.
Equalities	All proposals will need to carry out an Equalities Impact Assessment during the detailed Business Case stage phase of this process.
Staff Impacts	This project in itself would not have any staff impact.