

## ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS

1.	Meeting	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date	9 <sup>th</sup> August 2010
3.	Title	Loan to 2010 Rotherham Ltd for Implementation of Business Improvement Project
4.	Directorate	Neighbourhoods and Adult Services

### 5. Summary

2010 Rotherham Ltd is in the process of reviewing all business activities to create a leaner and more efficient organisation. This is known as the 'beyond 2010 business improvement project'. Cabinet Member has already approved the new operating model, reported on 7<sup>th</sup> June 2010 and set to generate £450k of efficiency savings. In order to complete the various work streams involved in this project, developmental and process costs will be incurred. Because of the tight financial constraints within which 2010 Rotherham Ltd are currently operating, they have requested a loan of £200k from the Council to pay for this service. The purpose of this report is to secure Cabinet Member approval of this loan.

### 6. Recommendations

- To agree that RMBC will loan £200k to 2010 Rotherham Ltd for the purpose of completing the *beyond 2010 business improvement project*.

## **7. Proposal and details**

The *Beyond 2010 Business Improvement Project* is 2010 Rotherham's Ltd planned approach to reviewing all of the key business processes which impact on the effectiveness and efficiency of its business. This project involves reviewing and developing processes for all customer interfaces and developing a single customer experience regardless of the access channel selected.

## **8. Financial implications**

2010 Rotherham Ltd has proposed a total budget for the project of £220k. This comprises the £200k requested loan from RMBC and £20k from the ALMO's existing resources. The budget will be spent on:

- Contact centre move and upgrade
- Knowledge database
- Northgate training
- Mobile working
- Repairs text messaging
- PDA satisfaction surveys
- Process Analyst costs

The cashable benefits for the project so far have been identified via the new operating model and review of the current legal service level agreement with RMBC. The total of £449,189 will be realised in year 2011/12. The non-cashable benefits identified within the project so far total £68,536.26.

The repayment of this loan will form part of the financial arrangements between 2010Rotherham Ltd and RMBC in 2011/12

## **9. Risks and uncertainties**

None.

## **10. Policy and performance agenda implications**

These changes will help 2010 Rotherham Ltd to deliver the improvement plan, which sets out how the ALMO will contribute to Rotherham's top priorities, particularly the Safe and Proud themes of the local area agreement. It will also contribute towards a balanced business plan for the ALMO core service, which will be important to demonstrating financial stability in response to previous concerns raised in the CAA.

## **11. Background papers and consultation**

Report to Cabinet Member 09/08/10: Beyond 2010 business plan  
Report to Cabinet Member 07/06/10: New operating model

Discussions have taken place with the Director of Housing and Neighbourhoods via liaison meetings.

## **12. Contact name**

Jane Davies-Haire, Landlord Relations Manager

[Jane.davies-haire@rotherham.gov.uk](mailto:Jane.davies-haire@rotherham.gov.uk)

Tel: 01709 334970 or 07500 102498