

Finance Committee

FIN(4) 19-12 – Paper 1

Inquiry: Invest-to-Save

Evidence Paper Provided by Jane Hutt, Minister for Finance and Leader of the House (October 2012)

Q1. What impact is Invest to Save having, is it meeting its intended purpose - “supporting organisations involved in public service delivery make the transition to more efficient, more effective and more sustainable forms of service delivery”?

The Invest-to-Save fund is making a valuable contribution by helping public service providers to develop and maintain quality, effective and efficient citizen-centred services. Through the Fund we have supported 59 public service improvement projects and invested £65million of repayable funding. Significant benefits and improvements to public services, including the delivery of financial savings are forecast from these investments.

I have aligned the Fund with the Welsh Government’s public service improvement programme and specifically with key initiatives promoted by the workstreams of the Public Service Leadership Group. This has resulted in investments being made in initiatives relating to procurement, public sector assets and vulnerable people.

Examples of projects being supported by the Fund include: the NHS’ Welsh Analytical Prescribing Support Unit, which has, through the analysis of prescribing data, promoted safe, clinically effective and cost-effective prescribing across Wales. The project has already reported cost savings of £5.8million; and, One Newport’s Information Station project that provides a range of accessible services under one roof which were designed around the local community. Economies of scale and savings are being secured by bringing public service providers together to share resources, equipment and office space and by releasing surplus assets.

Q2. How widely has it been taken up?

The Fund has been fully taken up since Year Two of its introduction and has been accessed by the NHS, local government and other public service organisations from across Wales. I published details of the beneficiaries of the Fund when I laid the Draft Budget on 2nd October in the *Investing-to-Save 3* report, which I attach at annex 1.

Q3. What are the lessons learned and could examples of good practice be shared and extended more widely across the public sector?

The Fund actively promotes the dissemination of lessons learnt and good practice arising from projects. In my June statement to the National Assembly for Wales about Invest-to-Save, I spoke of the importance of learning from existing projects and the need to capture, cascade and promote knowledge. The wider public service are now benefiting from the experiences and lessons of those who have advanced improvement projects.

Beneficiaries of the Invest-to-Save Fund are capturing lessons learned and sharing these across the public sector. There has been real progress in this area with many of the more advanced projects having already provided short case studies, which I have published in a series of Investing-to-Save reports.

By publishing such reports, I am raising the general awareness of the various initiatives being supported by the Invest-to-Save Fund and encouraging those involved in public service delivery to find out more about specific initiatives that are relevant and might usefully be replicated in the areas of service delivery for which they are responsible.

One of the early lessons learned from the Invest-to-Save approach is that grant funding can realistically be provided on a repayable basis to help deliver public service improvement projects. Having adopted this new approach we are able to maintain a sustainable fund for continued investment in public service improvements.

Q4. What savings have been achieved as a result of awards from the fund?

We will have a clearer picture of this as supported projects move from implementation to delivery, but the early signs are very encouraging with projects reporting good progress towards delivering forecast benefits and all supported projects having made required repayments of the Invest-to-Save investments to their agreed timetables, which to date amount to over £9million. For this and next financial year we are on course to receive a further £25million.

Q5. Are there any barriers to entry i.e. are there any elements of the Invest to Save fund process that make it difficult to participate in the scheme?

My officials keep the Fund's processes under constant review to ensure that they are appropriate, clear and understood. Our aim is to make investments as accessible as possible to public service improvement projects that meet the Fund's criteria (See annex 2).