

MEDIUM TERM SERVICE & RESOURCE PLAN – SAVING DETAILS (2014/15 & 2015/16)

RESOURCES

2014-15 Saving £000	2015-16 Saving £000	How saving to be achieved	Previously Reported Impact to Service Delivery	Strategic Directors Update on Saving Proposal for November 2013 PDS Panel
500	150	<p>ICT - Corporate</p> <p>Rationalisation of systems, improved procurement & implementation of new ICT Strategy plus consolidation of budgets.</p> <p>This saving will apply across all departments and so is described as corporate even though will be led in the Resources Department.</p> <p>New centralised or federated staffing model required</p>	<p>This saving is the balance remaining from the initial £1 million Change Programme target (£350k delivered in 12/13), and includes savings arising from new ICT strategy.</p> <p>Delivery dependent upon ICT transferring in-house on 1 August 2013 & then centralisation and rationalisation of all ICT spend from 1 April 2013.</p> <p>Reduced spend on ICT will mean ICT will be provided strictly to meet priority business needs</p> <p>Staffing impacts assessment when the service returns in house.</p> <p>The effective completion of this programme requires continued investment in the change from the relevant reserve and links to the capital programme.</p> <p>Link to Sirona ICT strategy to be evaluated</p>	<p>Budgets have been centralised across from all directorates on time. Currently monitoring spend against the centralised budget. It is envisaged that the full saving will be delivered even though this is challenging.</p>
27		<p>Finance</p> <p>Business & Financial Services: P2P (Procure to Pay system)</p> <p>Rationalising procure to pay (P2P) and income systems in finance either using centralised or federated staffing model</p>	<p>£60K Change target relating directly to Resources procure to pay and £40K similar target for consolidation of income functions across the Council including from rationalising cash income system & systems, which support web based payments facility.</p> <p>The effective completion of this programme requires continued investment in the change from the relevant reserve.</p> <p>P2P will deliver further savings within Place (£92k) and People & Communities (£65k) which will require staff restructuring & consolidation within these Directorates</p>	<p>On target, plans for delivery already in place. In addition to these savings the new approach improves the control of procurement and expenditure which in turn generates savings in services.</p>
	170	<p>Customer Services</p> <p>Business Development</p> <p>Stopping the business development service once the new way of working has been fully rolled out in 2015/16.</p>	<p>This is a year 3 savings from simply stopping a service development function on the basis it will have become business as usual - The Business Development Team in Customer Services supports the customer services change programme – removing this team will mean the programme comes to an end in 15/16 – the schedule suggests a one off source of resources in 15/16 may be needed to sustain the programme through that year and then stop.</p>	<p>The team is expected to complete its existing phases of work in 2015/16. The proposed saving represents a 50% cut in the budget relating to Customer Services business support. The ability to enable service improvements will be restricted in the future although the existing release schedule should be complete.</p>
	100	<p>HR & Payroll – delivery model</p> <p>New methods with less data inputting and more self service.</p>	<p>New model for HR/Payroll service delivery agreed, consistent with future function and size of the Council. Currently subject to finalising the business case.</p> <p>Savings are dependent upon insourcing of transactional and payroll functions from Mouchel and new software platform to support manager / employee self-service.</p> <p>Full implementation will take 2 years. Benefits will also include accurate & up-to-date management information.</p>	<p>A project group has now been set up to move this forward. The programme is at an early stage. The recently completed restructure in the Resources Department has enabled this work to be prioritised.</p>
250		<p>Management Structure</p> <p>Resources Department management structure to be reviewed</p>	<p>Consultation on a new management structure will start at the beginning of 2013.</p> <p>Following agreement of principles a more streamlined structure will be phased in.</p> <p>Staff impact to be assessed. Savings include related support.</p>	<p>Current plans will deliver the target for 2014/15 but leave a new gap in 2015/16 due to the phased approach to delivery of the OD and workplaces programmes. Some smaller scale management savings will be required at that time.</p>
100		<p>ICT</p> <p>In-sourcing of ICT function</p>	<p>Relates to assumed overheads of current contract</p> <p>Staff impact to be assessed.</p>	<p>On target, Plans for delivery already in place.</p>
6	17	<p>Customer Services</p> <p>New standardised and simplified customer contact arrangements</p>	<p>To be delivered as per Release 1 of customer services change plan.</p> <p>Face to face customer service options retained but self serve and web improved. Also affects e billing and document management.</p>	<p>On target, plans for delivery already in place</p>
45	19	<p>Libraries</p> <p>Customer Services Project within the Change Programme</p>	<p>Better customer service and lower processing costs</p>	<p>Transfer from Place Directorate. Detailed plan for achievement currently being worked on. Expected to be deliverable.</p>
44		<p>Improvement & Performance</p> <p>Web site administration efficiencies</p>	<p>New open systems Drupal web site to require less resources to maintain.</p> <p>No further staff impact expected</p>	<p>A review will be undertaken to assess how much work is routine and how much is one off change and can be funded differently. This has a relatively small budget impact.</p>

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230		Property Property Services - Reduction in staffing levels to facilitate 20% reduction target	Some mitigation may be achieved by splitting the delivery and commissioning roles and combining some of delivery with project delivery elsewhere in the Council. A less responsive service will result including ability to take forward development opportunities unless one off development budgets can be identified. The rolling development fund helps with this but will need to be topped up from time to time.	On target, plans for delivery already in place. The draft staffing structure of Property and Project delivery is anticipated to deliver this saving.
20	20	Property Print procurement and delivery efficiencies.	Business to be run at scaled back level to test viability of this approach. For more specialist work a new framework contract is in place.	It is anticipated that this saving for 2014-15 will not be fully delivered. Further review needed. This has only a small impact.
1222	476	Sub Total - Change Programme Savings		
2014-15 Saving £000	2015-16 Saving £000	How saving to be achieved	Impact to Service Delivery	Strategic Directors Update on Saving Proposal for November 2013 PDS Panel
200		Transformation Removal of recurring budget	Gradual removal of all project budgets much of which is spent on lean systems thinking reviews, project support to Council services and ICT projects. Replacement with one off funding from reserves as required.	This is being considered along with the rest of ICT target and is to be achieved by the removal of the recurring project development budget. Any future costs to be met from, specific project budgets and separately approved.
200		Policy, Performance & Administration in Resources Department Consolidation of support areas across Resources including democratic meetings support, aspects of information management, performance management and reporting.	Review to primarily affect democratic services, policy and partnerships plus improvement and performance to integrate functions and reduce systems and processes. Staff impacts unknown at this stage but assumption made based on level of saving There may be some corporate aspects to this review and potential links to the Resources management review.	A proposal for the achievement of this target is still being developed and implementation may not be until later in 2014/15. The Resources Department management restructure will help to enable this saving.
50		Audit Risk & Assurance Consolidation of Procurement & Commissioning Support across the Council to increase resilience and sustain acceptable level of capacity and skills.	Similar to the above but in respect of commissioning and procurement support. Scope to centralise or federate staff plus potential links to the Resources management review. Staff impact to be assessed.	Detailed plan for achievement currently being worked on.
25		Audit Risk & Assurance Information Governance Rationalisation with ICT Service	Similar to the above but in respect of ICT & Information Governance roles following in sourcing of ICT contract. Potential links to the Resources management review Staff impact to be assessed.	Detailed plan for achievement currently being worked on.
16	6	Property Corporate Estate – efficiencies	Reductions in corporate estate budgets to deal with one off work. No direct staff impact. The main savings relate to workplaces and have already been accounted for as part of that project. Separate savings relate to R&M for which see below.	On target, plans for delivery already in place.
75		Legal & Democratic Reduced structure for Legal Services	A 15% cut in legal support (split over 2 years) that will require clearer prioritisation of support based on impact and risk as assessed by the Council on a corporate basis. Any substantial legal challenges will need to be funded from project budgets or Council central contingency reserves. Shared working on specialist aspects of the service with other authorities to be accelerated to see if further efficiencies can be found.	Detailed plan for achievement currently being worked on. Some savings may come from external spend budgets elsewhere in the Council. External review of the legal service underway.
	200	Finance More savings in management of finance to reduce the service to a core service	This level of savings will need to be measured carefully. As with legal and HR the risk is that the services will start to decline below acceptable levels and in this case qualification of accounts becomes a risk. To mitigate this, a very effective risk based approach will be needed. All other support services will be assessed to ensure no one service is disproportionately affected in year 3. Metrics and benchmarking will be important.	Detailed plan for achievement currently being worked on. This is a 2015/16 saving and is a higher risk item.
25		Property Cleaning Reduction in Cleaning spec across corporate offices	A slightly reduced cleaning specification, which could start to impact noticeably on building cleanliness - so will be kept under review especially in busy areas and busy building with flexible office space. .	Review of service taking place to investigate whether savings deliverable through alternative operating model rather than reductions in specification.

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500	500	<p>Policy & Partnerships + Property</p> <p>Community Use of Assets – Corporate Asset Consolidation</p> <p>This saving will apply across all departments and so is described as corporate even though will be led in the Resources Department</p>	<p>Review of use of Council owned operational assets based in communities to see which ones might be better run by the communities themselves, also which should be consolidated and which sold off. Also affected by the new statutory 'right to bid'.</p> <p>There is a risk that aspects of this saving might be double counted with savings elsewhere in medium term plans but this will not be evident until the review progresses.</p> <p>The review does not include the Councils main offices, which have been reviewed and are being rationalised as part of the workplaces programme. The savings from this have already been accounted for.</p>	<p>Initial discussions regarding strategy for implemetation has commenced, discussions are still at very early stages, however indications suggest that delivery will be challenging in 2015/16 and is not deliverable in 2014/15. The overall budget estimates now allow for this.</p>
1,091	706	Sub Total - Other Cashable Efficiency Savings		
2014-15 Saving £000	2015-16 Saving £000	How saving to be achieved	Impact to Service Delivery	Strategic Directors Update on Saving Proposal for November 2013 PDS Panel
250	200	<p>Property</p> <p>Commercial Estate</p> <p>Increased revenue income through investment in Commercial properties.</p> <p>The Council as a whole benefits from the income in this estate, which presently is a net £13M.</p>	<p>This arises from the potential to invest in properties with secure returns that exceed those available through usual treasury management opportunities.</p> <p>The acquisitions need to be linked to the enhancement of the Council's estate and to therefore achieve wider property objectives.</p> <p>One example of such an acquisition has already been achieved in the current financial year and represents an early move towards this target. A more diversified property portfolio and support for regeneration are possible additional benefits.</p> <p>Over the next three years, the capital borrowed to fund the acquisitions is intended to be repaid using new capital receipts to be generated from lease restructuring which has no significant impact upon existing revenue streams.</p>	<p>Dependant on market opportunities being available but a plan is in place.</p> <p>Target in 2014/15 and 2015/16 is likely to be achieved. The current years target for 2013/14 will partially slip into next year.</p>
29	62	<p>Improvement & Performance - corporate</p> <p>Additional Advertising income</p> <p>This saving will apply across all departments and so is described as corporate even though will be led in the Resources Department</p>	<p>Income to be generated through increased advertising using the Council's web site and other means such as bus stops, traffic islands, and events.</p>	<p>There are some concerns as to the delivery of the savings target in 2015/16.</p>

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500	500	<p>Finance - corporate</p> <p>Tourism Levy</p> <p>This saving is described as corporate and will be led in the Resources Department</p>	<p>There is potential to introduce some form of tourism levy so that the Council's day-to-day investment in tourism and visitors can continue to be supported.</p> <p>Any such levy would be subject to widespread consultation and appropriate due diligence.</p>	<p>This will be a voluntary visitor contribution scheme and a detailed feasibility of options is now under way.</p>
500	250	<p>Finance – corporate</p> <p>Trading Opportunities</p> <p>This saving will affect a number of departments, is described as corporate and will be led in the Resources Department</p>	<p>The Council has a number of trading partners and the aspiration is to review those relationships to assess the potential to increase Council income.</p> <p>These reviews will initially need to be treated as commercially sensitive.</p>	<p>This target for 2014/15 will not be achieved as it relates to potential opportunities from trading and procurement activity not available in the short term. Procurement targets being reassessed to see what can be achieved in future years. The corporate budgets now allow for this not being achieved in 2014/15.</p>
1,279	1,012	Sub Total - Additional Income		
2014-15 Saving £000	2015-16 Saving £000	How saving to be achieved	Impact to Service Delivery	Strategic Directors Update on Saving Proposal for November 2013 PDS Panel
20	45	<p>Policy & Partnerships</p> <p>Partnership Delivery</p> <p>Commissioned services and local events budgets</p>	<p>Savings relate to</p> <p>1 Removal of dedicated budgets for local initiatives and events. Currently £19k used to complement local projects, including Christmas events and some co-ordination of local partnership activity. Budget has been reduced over the years and communities have been assisted in obtaining funding from other sources such as Ward Councillors Initiative</p> <p>2 Savings from Christmas lighting budget in first year leading to ending of this budget at end of current contract. Budget currently £81k will reduce by £11k in year one, Year 2 and 3 savings assume that we have been able to generate income to fund Christmas Lights</p> <p>3 Saving from community safety budgets which will be achieved through continuing the change programme the Partnership began last year in the light of the advent of PCCs. Saving proposed £30k from a £40k budget set up in the 2012/13 budget to provide some flexibility in the transitional period</p> <p>These savings coupled with savings delivered in 2012/3 leaves the service commissioning in 2013/14, local Healthwatch (new statutory responsibility) £72k, the reducing Christmas lights budget £70k, a contract on Voluntary and Community Sector support £65k, Street Marshalls work with the BID £21k, the Councils contribution to the Student Community Partnership £18k and some capacity to support some work with Equalities groups £40k</p>	<p>2015/16 delivery plans require further work but 2014/15 well advanced and deliverable.</p>
255		<p>Libraries & Information</p> <p>To prioritise the retention of our eight Library branches we propose to deliver the services differently in the future with support from our emerging Community Library Programme.</p>	<p>Involves no replacement of one mobile library (estimated cost of replacement c.£90,000)</p> <p>Fewer visits and for less time at stop-offs by the one remaining Mobile Library - this will be offset by the development of the Community Library Programme to provide services in communities without a library branch; restructuring of service; reduction in materials, and some PC's and services.</p> <p>Consultation last year indicated how strongly people felt about provision of library branches and willingness to be involved in shaping their local library service</p>	<p>Changes to mobile library service already implemented in 2013/14.</p> <p>Transferred from Place. Detailed plan for achievement currently being worked on.</p>
85		<p>Property</p> <p>Repairs and Maintenance</p> <p>Reductions in R&M budgets</p>	<p>A significant reduction in the budget of about 20%, which will mean that the already highly prioritised approach will be restricted further. Condition of assets will need to be monitored. Rationalisation and renewal of corporate estate, especially, offices will help.</p>	<p>Budget has been reduced and staff working towards new target.</p> <p>Adopting a corporate landlord approach will leverage economies of scale and increased purchasing power. The idea is to centralise property management and spending (as with ICT).</p>
360	45	Sub Total - Reduced Service Levels		
3,952	2,239	TOTAL SAVINGS		