

## **Efficiencies - Forward Look 2007/8**

### **Identified in the 2007/8 budget process and Service Plans**

	<b><u>Description</u></b>	<b><u>Efficiency</u></b>	<b><u>Cashable</u></b>	<b><u>Non</u></b>
	<b><u>Transactional</u></b>			
1	Improved Council Tax Collection resulting in a reduction in Bad debt Provision - £50000	50000	10500	
2	Reduction in the number of days to process benefits. From 31 to 25 days- 19%+	76500		
3	Increased benefit overpayment recovery following full year use of recently introduced I.T.system.	90000	90000	
4	Asset and Property Management - Disposal of Surplus Land and assets(£6m) resulting in reduced borrowing @. 4.75% pa. Proceeds used to fund capital programme	285000	285000	
	<b><u>Corporate Services</u></b>			
5	Anticipated efficiencies from the best value review of support services.	71500	44500	
	<b><u>Procurement</u></b>			
6	Implement findings of commodity spend analysis by entering framework agreements.	50000	50000	
	<b><u>Productive Time</u></b>			
7	Reducing Sickness levels from 9 days to 8	62000		
	<b><u>Miscellaneous</u></b>			
8	Budget Savings - General	24000	24000	
	<b><u>TOTALS</u></b>	<b>709000</b>	<b>504000</b>	

### **Calculations where required**

2	<b><u>Efficiency from turnaround of benefit claims.</u></b>	
	Out turn 2004/5 = Base figure	714000
	2004/5 Base figure + deflator 2.52%= 2005/6 base	732000

2005/6 Base figure + deflator 2.68%= 2006/7 base	752000
2006/7 Base figure + deflator 2.70%= 2007/8 base	772304

Processing element of benefit cost (2004/5) =43%  
 Visiting Officer allocation from overall benefit cost=  
     = 15.8% (2004/5 base figures)  
 Contribution from Visiting to processing = 50%

Based on the above:-	
Processing element=43% of £772k =	331000
Visiting Officer Contribution=£772kx15.8%x50%	61000

Cost to calculate Efficiency =	<b>392000</b>
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Improved performance 31 to 25= 6/31x100=	19.30%
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<b>Efficiency = £392000 x 19.3% =</b>	<b>76500</b>	<b>NON C.</b>
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3 **Improved recovery of overpayments**

Out turn 2005/6	= £370k
Budget 2006/7	= £620k
Efficiency	= £250k
Deduct BD Provision =	£160k

<b>Efficiency = £90k</b>	<b>90,000</b>	<b>C.</b>
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4 **Land and Asset Disposal**

Using Working Paper @ 11/04/07

Given uncertainty of planning consents expected  
 disposals  
 have been reduced for purpose of forward look.

Calculation:- Estimated usable receipts = £6m  
 Borrowing rate = 4.75% therefore:

<b>Efficiency = £6m x 4.75%</b>	<b>285000</b>	<b>C.</b>
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5 **Corporate Services**

Efficiencies:

**Report ref RS3 Committee Recording to  
 Community**  
 Engagement staff saving £27k (n/c)  
**Ref RS4- Saving part post absorbed elsewhere-  
 £14.5k**  
**General budget efficiency**  
 General Dem Services reduction S&Services £30k

		<b>44500</b>	<b>C.</b>
<b>Efficiency Total</b>	<b>71500</b>	<b>27000</b>	<b>NONC.</b>

7 **Productive time**

Out turn 2004/5 = Base figure	12859674
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2004/5 Base figure + deflator 2.52%= 2005/6 base	13183738
2005/6 Base figure + deflator 2.68%= 2006/7 base=	13537061
2006/7 Base figure + deflator 2.70%= 2007/8 base	13902562

Number of working days = 223 approx  
 2007/8 Average Cost of 1 day sickness =  
 13902562/223  
 Estimated improvement from 9 to 8 days

Efficiency =

62000

NON C