

# Item 7

## REPORT TO CABINET

6<sup>th</sup> DECEMBER 2007

## REPORT OF DIRECTOR OF RESOURCES

**Portfolio: STRATEGIC LEADERSHIP**

### **PUBLIC SECTOR EFFICIENCY**

#### **1.0 SUMMARY**

- 1.1 This report updates Members with information relating to progress with the Gershon Efficiency agenda and achievement of efficiency targets set by the Department of Communities and Local Government (DCLG).
- 1.2 This report contains details of the Council's overarching strategy that has been developed for achieving efficiency gains and actual progress made for the period 2005-06 to 2006-07.

#### **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that:
  - a) Cabinet notes the progress made by the Council in relation to the efficiency agenda and achievement and monitoring of efficiency savings.

#### **3.0 PUBLIC SECTOR EFFICIENCY**

##### **Background**

- 3.1 Under the current comprehensive spending review period every local authority is expected to achieve efficiency savings of 2.5% per annum during the period 2005-06 to 2007-08, compared to their 2004-05 baseline. Efficiencies obtained from revenue, capital spend and better use of assets all count towards this target.
- 3.2 At least half of the efficiency savings should be 'cashable' – this means that they release funding for use elsewhere, either for reinvestment in other priority services or to hold down the council tax. The other half can be 'non-cashable' savings, leading to improved performance for the resources used.
- 3.3 In response to the Efficiency Agenda, the Council developed a comprehensive strategy that provides a broad framework for achieving efficiency savings. This strategy statement is shown in **Appendix A** and this framework for achieving and articulating efficiency savings is being integrated into:
  - Corporate Plan and Priorities
  - Medium Term Financial Plan
  - Business and Service Plans
  - Performance and Risk Management Frameworks
  - Procurement programmes and projects
  - Partnership relationships

### Reporting for Efficiency – Annual Efficiency Statement

3.4 The primary source of information is the self assessed Annual Efficiency statement (AES) to be signed by the Leader, Chief Executive and Chief Financial Officer. Each year the Council has to submit two Annual Efficiency Statements (AES), which include the following elements:

- Forward Looking AES – required by mid-April. A very brief (1-2 pages) outline strategy, showing key actions to be taken during the year and expected efficiency gains.
- Backward Looking AES – required by mid-June. To set out actual gains achieved in the past financial year by each service and cross-cutting area.

### Efficiencies Achievements

3.5 So far the Council has submitted three backward looking returns to the DCLG detailing efficiencies, which have been delivered up to the 31<sup>st</sup> March 2007. A total of **£1.243m** of efficiency gains have already been delivered against a target of **£0.833m** to the end of 2006-07. The targets and efficiencies achieved to date are summarised as follows:

Year	DCLG Targets		Efficiencies Achieved to Date	
	Target	Cumulative	Actual	Cumulative
2004-05*	-	-	99,928	99,928
2005-06	430,000	430,000	697,852	797,780
2006-07	403,000	833,000	445,486	1,243,266
2007-08	403,000	1,236,000	-	-
<b>Total</b>	<b>1,236,000</b>	<b>1,236,000</b>	<b>1,243,266</b>	<b>-</b>

\* the efficiency review covers the period 2005-06 to 2007-08 but an allowance has been provided such that efficiencies achieved in 2004-05 can be included as long as they are not one-offs and will continue throughout the whole of the following three-year period.

3.6 As can be seen, the Council is already ahead of its cumulative target (for 2006-07) and overall target of £1.236m (required by 2007-08). Details of actual efficiencies that make up the above figures are provided in **Appendix B**.

3.7 The Forward Look 2007-08 AES which was submitted to DCLG in April 2007 sets out planned savings of **£609,310** in the current financial year and Cabinet at its meeting on 26<sup>th</sup> April 2007 has already considered its contents. Under the arrangements set out by the Government, the AES was approved for electronic submission by the Leader in consultation with the Chief Executive and the Section 151 Officer (Director of Resources).

3.8 A large proportion of the savings planned in the current financial year have been built in to the 2007-08 revenue budgets and details of these are provided in **Appendix C**. These savings amount to **£367,660** and the following table shows the broad areas where these savings have been planned alongside expectations as to whether these savings will be achieved.

Broad Area of Saving	Planned Savings £	Progress (Red, Amber, Green)*	Estimated Outturn £
Medical Expenses	1,100	RED	-
Scanning Services	21,500	GREEN	21,500
Dept and Section Training	28,090	AMBER	25,630
Staffing Costs	192,500	GREEN	231,780
Electricity	44,240	GREEN	128,590
Gas	25,760	GREEN	25,760
Communications / Postages	5,380	GREEN	5,400
Equipment, Furniture, Materials	16,140	GREEN	25,220
Subscriptions	10,950	GREEN	10,950
Travelling and Mileage	13,140	GREEN	17,160
Stationary and General Office	8,860	AMBER	5,730
<b>Total</b>	<b>367,660</b>		<b>497,720</b>

\* Red – Not achieved, Amber – Partially achieved, Green – Fully achieved or exceeded

- 3.9 As the above table shows, it is expected that the planned savings target of **£367,660** in 2007-08 will be achieved with savings of **£497,720** now expected for the year - an additional **£130,060** above the budgeted figure.
- 3.10 It should also be noted that there were planned savings of **£75,790** included in the target which will not be fully met and revised expectations are that only **£21,200** will be achieved. This leaves net expected savings to be **£443,130** (i.e. £497,720 less £75,790 plus £21,200), which still exceeds the target of **£367,660**.
- 3.11 Details of other efficiencies amounting to **£241,650** (i.e. not those in the above table), which contribute to the overall total of **£609,310** in the Forward Look AES 2007-08 are as follows:
- Surplus land sales of £15m generating investment interest of £225,000;
  - Use of online BECS calculator for determining benefit entitlement resulting in non-cashable administrative savings of £1,650; and
  - Introduction of Automated and paperless direct debit administration non-cashable savings £15,000.
- 3.12 The disposal of surplus land can be subject to unanticipated delays beyond the Council's control and hence on grounds of prudence and good risk management it was not considered appropriate to assume that all anticipated land sales would materialise in the development of the budget framework for 2008/09 as this could adversely impact on the robustness of the budget estimates.

### Future Considerations

- 3.13 In its Comprehensive Spending Review (CSR) announcement made in October 2007, the Government aims to build on progress made over the last few years and further embed a culture of innovation and value for money. All public services have been set a tough target of achieving at least 3% cash-releasing value for money gains per year over the period 2008-09 to 2010-11. It is important that the development of the Budget Framework 2008-09 that has now commenced is firmly built on rigorous pursuit of efficiencies in line with the Medium Term Financial Plan.

## **4.0 RESOURCE IMPLICATIONS**

- 4.1 The Efficiency agenda influences the financial management of the Council and the use of its resources. Given the significant demands on the revenue budget, the need to rigorously identify and pursue savings is essential to enable a sustainable budget to be maintained and this will need to continue in the preparation of the Budget Framework for 2008-09, which has now commenced.

## **5.0 CONSULTATION**

- 5.1 There are no consultation implications arising from the information contained in this report.

## **6.0 OTHER MATERIAL CONSIDERATIONS**

### Links to Corporate Ambitions/Values

- 6.1 Achievement and demonstration of value for money in the delivery of services is a key priority as reflected in the Council's Corporate Plan. This priority is being championed at the highest level to help further integrate and embed the process into day-to-day activities and into service and financial planning.

### Risk Management

- 6.2 There are risks associated with making efficiency gains and these include the following:

- Efficiency gains being identified but not achieved
- Failure to complete AES by the due date
- Service standards being eroded through cumulative efficiency gains
- Ability of the Council to make efficiency gains on its own reducing over time.

These risks can be minimised by ensuring ongoing monitoring and review of progress and making effective use of the North East Regional Centre of Excellence for support and guidance in this matter. Ongoing awareness, commitment and drive across the whole Council to identify opportunities for achieving efficiencies is essential to make further progress.

### Legal and Constitutional

- 6.3 There are no specific legal implications arising from this report.

## **7.0 OVERVIEW AND SCRUTINY IMPLICATIONS**

- 7.1 There are no direct overview and scrutiny arrangements arising from this report although a detailed progress report has already been considered by Overview and Scrutiny 1 at its meeting on 10<sup>th</sup> October 2006.

## **8.0 LIST OF APPENDICES**

**Appendix A** – Strategy for Achieving Efficiency Gains

**Appendix B** – Backward Look AES 2006-07

**Appendix C** – Details of Budget Savings included in Forward Look AES 2007-08

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## BACKGROUND PAPERS

1. Releasing Resources into the Front Line: A Review of Public Sector Efficiency – Sir Peter Gershon July 2004
2. Delivering Efficiency in Local Services – ODPM Guidance 12<sup>th</sup> November 2004
3. Efficiency Technical Note for Local Government – ODPM Guidance 28<sup>th</sup> January 2005
4. Report to Cabinet 31<sup>st</sup> March 2005 – Public Sector Efficiency
5. A Guide to Completing the 2005-06 Mid-year Update – ODPM Guidance September 2005.
6. Efficiency Guidance for Service Plans – 14<sup>th</sup> December 2005 Internal Guidance provided to Heads of Service Group.
7. Delivering Efficiency in Local Services – One Year On – February 2006.
8. Measuring and Reporting Efficiency Gains – A Guide to Completing Annual Efficiency Statements – May 2006.
9. Medium Term Financial Plan 2006-2009 'Efficiency, Investment, Improvement'
10. Report to Overview and Scrutiny 1 10<sup>th</sup> October 2006 – Public Sector Efficiency
11. Report to Cabinet 26<sup>th</sup> April 2007 – Forward Look AES 2007-08
12. Delivering Value for Money in Local Government - Meeting the Challenge of CSR 2007 – October 2007

## EXAMINATION BY STATUTORY OFFICERS

	YES	NOT APPLICABLE
1. The report has been examined by the Council's Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Council's S151 Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Strategy for Achieving Efficiency Gains

This annual efficiency statement outlines the Council's strategy for securing efficiency gains. The Government has set a target for efficiency gains of 2.5% per year, which results in a target for Sedgefield of **£1.236m** by **2007-08**. In line with nationally set targets, the Council's aim is that at least half of the total efficiencies that are identified and secured should be 'cashable' – equating to **£0.618m** for Sedgefield. The aim of securing efficiency gains is to reinvest cash savings and direct resources towards the achievement of both corporate and service specific objectives, whilst at the same time seeking to minimize any increase in the level of council tax.

The Council has a strong track record of reviewing its spending in order to identify administrative and efficiency savings as a key element of the budget and tax setting process and has exceeded targets in the first two years of the efficiency agenda. A rolling three-year financial strategy forms the basis of the authority's forward financial planning which is linked to the achievement of key strategic objectives. This includes matching and aligning resources to key priority areas. The Council will improve efficiency by examining methods of raising productivity and enhancing value for money. The Council will follow closely best practice guidance in this field and will use a range of mechanisms to deliver its efficiency savings. Sedgefield's efficiency framework will make use of the following strategies to help achieve its efficiency targets.

### **Making effective use of opportunities for Partnering, Joint working and Collaboration**

- The Council recognises that it cannot work in isolation to deliver the efficiencies required. It has already fostered strong working relationships in a range of service areas with partners such as Competition Line, County Durham E-Government Partnership, County Durham Supporting People Partnership and other local authorities.
- The Council will maintain and develop its partnership working arrangements with stakeholders to ensure that opportunities for joint service delivery arrangements are identified and pursued. Collaborative working, either internally or externally, to deliver efficiency gains will be supported.

### **Securing Efficiencies through the Council's Procurement Strategy**

- Effective procurement strategies, practices and procedures are expected to play a key part in the Council's strategy to achieve its efficiency targets.
- The Council will build on its procurement strategy working towards the National Procurement Guidelines and the National Procurement Strategy milestones.
- We will be targeting efficiency savings in appropriate categories of spend and exploring the full range of procurement tools including e-procurement.

### **Securing Efficiencies through the Council's Business Transformation Programme**

- The Council aims to transform services to make them more accessible, convenient, responsive and cost-effective. Investment is being made in web-based transactional services to increase and improve the effectiveness of interactions between residents and the Council.
- Significant improvements in the way that the Council does business with its citizens will be achieved through the Council's ongoing Customer Relationship Management (CRM) strategy. The Council will extend the roll-out of services delivered through the CRM programme.
- A range of other initiatives including a major programme of change across customer facing and transactional services, particularly in respect of splitting the back and front office functions to improve productivity and effectiveness through the 'Making Change Happen' business transformation programme.

**Making effective use of Financial, Physical and Human Resources**

- The Council's cashable efficiency savings target has already been incorporated in the Council's medium term financial plan covering the three-year period to 2008-09. In future planning rounds, service and financial planning will require a sharper focus on efficiency.
- The Council has a good track record in managing its financial resources effectively and will continue to strongly pursue practices to achieve and demonstrate that value for money is being secured. The Council will ensure, through its financial strategy, that resources and investment are made available in targeted areas to secure the required improvements in service delivery, efficiency and effectiveness.
- The Council's physical assets will be maintained in accordance with the asset management plan and provision made in revenue and capital budgets for maintenance and investment programmes to ensure effective and efficient use of assets. The Council has an asset disposal strategy in relation to surplus land which will provide additional resources for investment in Council services.
- A strategic approach to the Council's use of human resources will be taken via improvements being considered in workforce planning and human resources policies and strategies. Dedicated resources have been made available to secure efficiencies and improvements in sickness absence across the Council.

**Undertaking Service Reviews to drive improvements and efficiencies in service delivery**

- Service Reviews are expected to play a key part in challenging existing service provision and exploring alternative models of service delivery. The council's service improvement programme will be aiming to improve efficiency as well as effectiveness (outcomes).
- The Council will review and implement recommendations from an on-going programme of service reviews that will form the basis for delivering efficiency targets.

**Strengthening Performance Management and Monitoring Arrangements**

- The Council will continue to strengthen its performance management arrangements, which is key to securing efficiency gains. Sound programme and project management arrangements will be used that will apply to the delivery of performance improvement, e-government and major procurement projects.
- A proper understanding of costs and quality of services will be needed for taking focused action. Robust information on the costs of each service area, including unit cost data, alongside performance data and quality measures will be established, monitored and developed over time to track progress.
- Achieving and demonstrating Value for Money in service delivery is a key corporate priority and the Director of Resources will take the lead in efforts to improving efficiency as well as tackling wider value for money issues.

In summary, the Council regards the efficiency agenda as a positive opportunity to reshape public services and improve outcomes for citizens. It will be working closely with its partners to take advantage of initiatives to secure efficiency savings. This includes utilising the Regional Centres of Excellence and using them as a vehicle for joint working and collaboration, accessing funds to support joint projects and utilising guidance and best practice with regards to identifying and measuring efficiencies.

Sector	On-going gains from 2004-05		Further gains achieved in 2005-06		On-going gains from 2005-06		Further gains achieved in 2006-07		On-going Gains 2004-05 and 2005-06 Inflated	Cumulative Gains	
	Total Gains	Cashable	Total Gains	Cashable	Total Gains	Cashable	Total Gains	Cashable		Total Gains	Cashable
<b>Environmental Services</b>	-	-	38,795	38,795	-	-	127,284	123,526	-	127,284	123,526
1 Savings on municipal solid waste collection using DEFRA Environment Toolkit	-	-	38,795	38,795	-	-	102,382	102,382	-	102,382	102,382
2 Savings over small range of items on miscellaneous health budget	-	-	-	-	-	-	4,100	4,100	-	4,100	4,100
3 Savings on adopted land maintenance through adoption of additional open space within existing budget provision	-	-	-	-	-	-	7,645	7,645	-	7,645	7,645
4 Undertook for additional major Street Safe initiatives within the existing budget	-	-	-	-	-	-	8,368	8,368	-	8,368	8,368
5 Change in method of administering special collections using corporate customer contact centre	-	-	-	-	-	-	3,758	-	-	3,758	-
6 Office paper recycling scheme extended to include additional Council complexes throughout the Borough	-	-	-	-	-	-	1,031	1,031	-	1,031	1,031
	-	-	-	-	-	-	8,670	8,670	-	8,670	8,670
<b>Local Transport</b>	-	-	-	-	-	-	-	-	-	-	-
1 Savings on administration of concessionary travel fares	-	-	-	-	-	-	8,670	8,670	-	8,670	8,670
	-	-	254,000	254,000	-	-	-	-	-	-	-
<b>LA Social Housing Capex</b>	-	-	254,000	254,000	-	-	-	-	-	-	-
1 Savings on contracts for capital works	-	-	254,000	254,000	-	-	-	-	-	-	-
	-	-	-	-	-	-	32,811	32,811	-	32,811	32,811
<b>LA Social Housing</b>	-	-	-	-	-	-	-	-	-	-	-
1 Staffing resources targeted at income generation additional £116,082	-	-	-	-	-	-	5,811	5,811	-	5,811	5,811
2 Redeployment of existing services whilst still maintaining existing service provision	-	-	-	-	-	-	27,000	27,000	-	27,000	27,000



	On-going gains from 2004-05		Further gains achieved in 2005-06		On-going gains from 2005-06		Further gains achieved in 2006-07		On-going Gains 2004-05 and 2005-06 Inflated	Cumulative Gains	
<b>Supporting People</b>	<b>70,000</b>	<b>70,000</b>	<b>89,675</b>	<b>89,675</b>	<b>89,675</b>	<b>89,675</b>	-	-	<b>163,635</b>	<b>163,635</b>	<b>163,635</b>
1 Maximising existing infrastructure and expanding volume of business	70,000	70,000	89,675	89,675	89,675	89,675	-	-	163,635	163,635	163,635
<b>Corporate Services</b>	<b>27,510</b>	<b>27,510</b>	<b>597,495</b>	<b>597,495</b>	<b>568,549</b>	<b>568,549</b>	<b>205,375</b>	<b>167,553</b>	<b>610,841</b>	<b>816,216</b>	<b>778,394</b>
1 Reduced annual licence fee for new FMS	17,510	17,510	-	-	-	-	-	-	17,944	17,944	17,944
2 Provision of ICT Management for neighbouring authority	-	-	12,500	12,500	12,500	12,500	-	-	12,810	12,810	12,810
3 Business continuity arrangements with neighbouring authority generating infrastructure savings	-	-	5,000	5,000	-	-	-	-	-	-	-
4 Joint procurement with neighbouring authority of network penetration testing	-	-	1,000	1,000	-	-	-	-	-	-	-
5 Paying creditors on due date basis (as opposed to 'next' paysheet)	-	-	14,210	14,210	-	-	-	-	-	-	-
6 Reductions secured in costs of several data line circuits	-	-	8,736	8,736	-	-	-	-	-	-	-
7 Sale surplus land: Cobblers Hall Site J, Burn Lane	10,000	10,000	556,049	556,049	556,049	556,049	-	-	580,087	580,087	580,087
8 Legal services internal capacity resulting in less work outsourced to specialist legal consultants	-	-	-	-	-	-	20,000	20,000	-	20,000	20,000
9 Staffing restructure in chief executives department generating savings in staff costs (pro rata)	-	-	-	-	-	-	4,593	4,593	-	4,593	4,593
10 Enhanced level of training for both members and officers through increasing engagement in partnership and joint working arrangements	-	-	-	-	-	-	36,300	-	-	36,300	-
11 Cash receipting contract renegotiated making savings on annual revenue costs	-	-	-	-	-	-	9,928	9,928	-	9,928	9,928
12 Reduction in cashiering hours whilst maintaining same opening hours of cash offices	-	-	-	-	-	-	5,799	5,799	-	5,799	5,799
13 Reduction in payslips and postage by transferring payment of wages from weekly to monthly basis	-	-	-	-	-	-	5,245	5,245	-	5,245	5,245
14 New three year contract for provision of scanning services for Revenues Section	-	-	-	-	-	-	22,680	22,680	-	22,680	22,680

APPENDIX B

	On-going gains from 2004-05		Further gains achieved in 2005-06		On-going gains from 2005-06		Further gains achieved in 2006-07		On-going Gains 2004-05 and 2005-06 Inflated	Cumulative Gains	
15 Usage of new Fraud Freephone number at no cost to the Council	-	-	-	-	-	-	432	432	-	432	432
16 A 20% discount of price of software to support mobile working and BECS benefit claims	-	-	-	-	-	-	7,875	7,875	-	7,875	7,875
17 Online BECS claims procedure generating savings in administration/processing times	-	-	-	-	-	-	1,522	0	-	1,522	-
18 Review of single person discounts informed by Experian database facilitated more targeted response to households generating savings in administration and process costs	-	-	-	-	-	-	1,898	1,898	-	1,898	1,898
19 Joint working through provision of in-house asset management and valuation expertise to neighbouring district council	-	-	-	-	-	-	7,000	7,000	-	7,000	7,000
20 Reduction in printing costs of MTFP	-	-	-	-	-	-	2,458	2,458	-	2,458	2,458
21 Reduction in costs of budget consultation exercise by changing format of workshops with consultees	-	-	-	-	-	-	2,600	2,600	-	2,600	2,600
22 Restructuring of Accountancy Services Section leading to ongoing revenue savings	-	-	-	-	-	-	8,000	8,000	-	8,000	8,000
23 Development of interface between Torex and FMS done in house	-	-	-	-	-	-	12,000	12,000	-	12,000	12,000
24 Printing and photocopying costs rationalised as a result of centralisation of function in ICT	-	-	-	-	-	-	14,000	14,000	-	14,000	14,000
25 Disposal of surplus land of £3.2m generating additional investment interest on capital receipt	-	-	-	-	-	-	43,045	43,045	-	43,045	43,045
<b>Procurement</b>	-	-	<b>142,895</b>	<b>58,348</b>	<b>22,740</b>	<b>22,740</b>	<b>71,346</b>	<b>71,346</b>	<b>23,304</b>	<b>94,650</b>	<b>94,650</b>
1 OGC Procurement Price Savings	-	-	17,765	17,765	17,765	17,765	-	-	18,206	18,206	18,206
2 Watercoolers	-	-	1,370	1,370	1,370	1,370	-	-	1,404	1,404	1,404
3 Energy - Large Sites Gas	-	-	46,224	-	-	-	-	-	-	-	-
4 Energy - Large Sites Electricity	-	-	25,583	-	-	-	-	-	-	-	-
5 Energy - Small Sites Gas	-	-	12,740	-	-	-	-	-	-	-	-

	On-going gains from 2004-05		Further gains achieved in 2005-06		On-going gains from 2005-06		Further gains achieved in 2006-07		On-going Gains 2004-05 and 2005-06 Inflated	Cumulative Gains	
6 Stationery	-	-	3,605	3,605	3,605	3,605	-	-	3,694	3,694	3,694
7 Joint procurement with neighbouring authorities of APLAWS saving consultancy costs	-	-	1,013	1,013	-	-	-	-	-	-	-
8 Joint procurement of Browsealoud software with neighbouring authorities	-	-	2,095	2,095	-	-	-	-	-	-	-
9 Savings on provision of housing information on website compared to external provider	-	-	12,000	12,000	-	-	-	-	-	-	-
10 Range of savings arising from procurement of laptops, dongles and anti-virus appliance	-	-	18,500	18,500	-	-	-	-	-	-	-
11 Savings on provision of planning information on website compared to external provider	-	-	2,000	2,000	-	-	-	-	-	-	-
12 Joint procurement of electoral registration with neighbouring councils securing a 10% discount.	-	-	-	-	-	-	1,600	1,600	-	1,600	1,600
13 Renegotiation of mobile phone contract securing revenue savings	-	-	-	-	-	-	38,068	38,068	-	38,068	38,068
14 One off cash credit from mobile phone account supplier following renegotiation of contract	-	-	-	-	-	-	9,750	9,750	-	9,750	9,750
15 One off rebate obtained on phone line rental from supplier	-	-	-	-	-	-	1,300	1,300	-	1,300	1,300
16 Savings obtained over 2 years on landline to mobile calls using affiniti network (pro rata)	-	-	-	-	-	-	1,796	1,796	-	1,796	1,796
17 Joint procurement of equipment for DR site and penetration testing	-	-	-	-	-	-	6,000	6,000	-	6,000	6,000
18 Development of planning information on website handled in-house	-	-	-	-	-	-	2,000	2,000	-	2,000	2,000
19 Procurement savings on purchase of blackberries for communication and e-mail purposes	-	-	-	-	-	-	2,880	2,880	-	2,880	2,880
20 Support for year end processes for Revenues and Benefits conducted in-house as opposed to using system supplier	-	-	-	-	-	-	4,000	4,000	-	4,000	4,000
21 Renegotiation of contract for mail filtering with supplier over 3 years	-	-	-	-	-	-	2,891	2,891	-	2,891	2,891

	On-going gains from 2004-05		Further gains achieved in 2005-06		On-going gains from 2005-06		Further gains achieved in 2006-07		On-going Gains 2004-05 and 2005-06 Inflated	Cumulative Gains	
22 Price efficiencies achieved through use of OGC Framework for purchase of IT, Professional and Telecomms Services	-	-	-	-	-	-	1,061	1,061	-	1,061	1,061
<b>Productive Time</b>	-	-	<b>25,620</b>	-	-	-	-	-	-	-	-
1 Making effective use of pooling resources and secondments	-	-	6,000	-	-	-	-	-	-	-	-
2 Minimising recruitment costs by maintaining database of prospective job applicants	-	-	19,620	-	-	-	-	-	-	-	-
<b>Transactions</b>	-	-	<b>14,473</b>	-	-	-	-	-	-	-	-
1 Consider greater use of online recruitment methods	-	-	2,555	-	-	-	-	-	-	-	-
2 Use of e payments - 24/7 touchtone facility	-	-	11,918	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>97,510</b>	<b>97,510</b>	<b>1,162,953</b>	<b>1,038,313</b>	<b>680,964</b>	<b>680,964</b>	<b>445,486</b>	<b>403,906</b>	<b>797,780</b>	<b>1,243,266</b>	<b>1,201,686</b>
<b>TARGET SET BY GOVERNMENT FOR SBC</b>			<b>430,000</b>	<b>215,000</b>			<b>430,000</b>	<b>215,000</b>		<b>860,000</b>	<b>430,000</b>

### Details of Budget Savings included in Forward Look AES 2007-08

Description	Amount
A cashable saving of £1,100 in medical expenses whilst still maintaining the standard of service throughout the Council	1,100
Cashable savings of £21,500 as a result of negotiating a new three year contract with the supplier in respect of document scanning services for the Revenues and Benefits Service	21,500
A £28,090 reduction in the departmental and sectional training budgets across a range of service areas.	28,090
A cashable saving of £38,970 arising from reduction in employee costs in Council Tax Admin made possible by technological improvements in service delivery through improved scanning and workflow systems	38,970
A restructuring of the Accountancy Services Section leading to cashable savings of £28,440	28,440
A cashable saving of £5,050 in the Cash Office budget by using cashiering resources more effectively	5,050
Savings of £82,550 in employment costs across services in Leisure	82,550
Savings of £10,420 in employment costs across services in environment	10,420
Savings of £9,650 in employment costs as a result of more efficient use of staffing in CCTV Control Room	9,650
Reduction in administration of the Concessionary Fares of £17,420 through lower staffing costs	17,420
A cashable saving of £10,000 in electricity costs in Green Lane administrative offices	10,000
A cashable saving of £34,240 in electricity costs across Leisure complexes within the Borough	34,240
A cashable saving of £10,000 in gas costs in Green Lane administrative offices	10,000
A cashable saving of £15,760 in gas costs across Leisure complexes within the Borough	15,760
A cashable saving of £5,380 in postage, stationery and microfilming costs as a result of transferring weekly paid staff onto a monthly basis	5,380
Savings of £12,340 in equipment, furniture and materials across various service areas	12,340
A reduction of £3,800 on maintenance of Tunstall Medicare system	3,800
A reduction in subscriptions of £10,950 whilst still maintaining service standards	10,950
A reduction in car mileage and leasing costs of £9,490	9,490
A reduction in travelling expenses of £3,650 within the transport budget in Environmental Services	3,650
A reduction of £8,860 in stationery and general office expenses across a range of service areas	8,860
<b>Total savings assumed in budget 2007-08</b>	<b>367,660</b>

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