

Report to: Cabinet

Date: 26th June 2008

Subject: Annual Efficiency Statement - Backward Look for 2007/08

Report of: Executive Director for Business Support Services

Contact officer: Simon Fillingham – (01942) 827 259 – Ext. 2259

Purpose / summary: To present the provisional efficiency gains for 2007/08 for comment and approval

Alternative options considered and reason for selecting the one recommended: No options – it is a statutory requirement to submit the Annual Efficiency Statement (AES) to DCLG by 8th July 2008 (by 5pm)

Recommendation / decision: To approve the provisional efficiency gains and to delegate to the Executive Director for Business Support Services, in consultation with the Leader and Chief Executive, the final submission of the return based on this report

Key Decision: This report does not involve a key decision.

Risks / Implications:

Financial: The Backward Look Annual Efficiency Statement (AES) for 2007/08 is currently showing potential in-year efficiency savings of £6.620m, of which £6.421m are deemed to be cashable. Further amounts of £361k have also been identified for possible inclusion in the AES, and £224k for further discussion.

Staffing: Efficiency savings may result in reduced staffing levels as part of planned service and departmental changes

Policy: Statutory compliance and part of the continuing development of efficient and effective service delivery

Equal Opportunities - Has a: Efficiencies will help better targeting of

Diversity Impact Assessment customers
 been conducted?
 Wards affected: All

Property – Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?

No

Does this proposal have significant implications for the Council and the local population?

Yes

Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?

A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report.

Has the Service Director – Borough Solicitor, confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution? **Yes**

Has the Executive Director for Business Support Services, confirmed that any expenditure referred to within this report is consistent with the Council’s budget? **Yes**

Are any of the recommendations within this report contrary to the Policy Framework of the Council? **No**

For Cabinet reports only :

Categorisation of the report:	X		X
Discussion leading to a decision	X	Discussion	
Monitoring		Decision	
Sharing for corporate understanding		Information	

Tracking/Process:

	Consultation	Ward Members	Partners
	Senior Management Team: 24 th June 2008		
Panel	Overview & Scrutiny	Cabinet 26 th June 2008	Council

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer David Smith

Date 24th June 2008

1. Introduction

- 1.1 The Council is required by statute to submit Annual Efficiency Statements (AES)'s to demonstrate compliance with the targets set by the Government. Statements are both forward - and backward-looking, with an additional mid-year progress report. The Statements are annual and not cumulative, and are only to include additional efficiencies for the year being considered.
- 1.2 This report deals with the Backward Look AES for 2007/08, which the Council is required to submit by 5pm on 8th July 2008 (summary details are attached in Appendix 'A').
- 1.3 Lengthy technical guidance notes have been issued, that set out what is eligible and what is not. Members may recall that all councils are required to achieve annual efficiency savings under the Gershon requirement equivalent to 2.5% of the Council's baseline actual net expenditure in the baseline year 2004/05, as part of the Spending Review (SR04) period 2004/05 through to the end of 2007/08. The requirement on the Council was to achieve total efficiency gains of £21.9765m over the three years ending in 2007/08.
- 1.4 At least 50% of these savings must be 'cashable' – capable of being released to improve local services or, if Councils decided, to reduce Council Tax.
- 1.5 There is no requirement to use efficiency savings to reduce net expenditure; the guidance makes clear that the agenda is not about expenditure reductions or cuts in services.

2. Strategic Context of the AES (2008/09 to 2010/11)

- 2.1 As part of the 2007 Comprehensive Spending Review (CSR07), announced by the Chancellor covering the periods 2008/09 through to 2010/11, the whole public sector – including local government – is expected to achieve 3% per annum efficiency gains over the next three years beginning in 2008/09, equating to £4.9billion net cash-releasing efficiencies by 2010/11.
- 2.2 All the 3% efficiency gains must be cash-releasing i.e. 'cashable' under the former definition, and on-going gains capable of supporting the sustainability agenda promoted by Gershon, and be 'net' efficiencies i.e. excluding the costs required to achieve them.
- 2.3 On-going cash-releasing gains achieved in the SR04 period (2004/05 to 2007/08) in excess of 7.5% of a council's 2004/05 baseline net expenditure count towards the total efficiency target in the CSR07 period (2008/09 to 2010/11). This is important in that if the Council achieves greater efficiencies than the target in the current SR04 period, it can 'carry-forward' these extra efficiencies into the next period to count against the target in 2008/09 onwards.
- 2.4 A new Local Government Value for Money Delivery Plan, entitled 'Delivering Value for Money in Local Government: Meeting the Challenge of CSR07' has recently been published on the DCLG website. The Council's Audit, Governance and Improvement Review Committee will this evening consider the Council's own Efficiency and Improvement Strategy, which draws on this work.

- 2.5 The new guidance makes clear the key actions required to meet the efficiency challenge, outlining reforms to the way in which the achievement of gains during CSR07 will be monitored and reported from 2008/09 onwards. Reforms have been put in place to increase devolution: individual councils will no longer have an efficiency target unless agreed as one of the Local Area Agreement (LAA) targets (currently each council has the same 2.5% p.a. efficiency target), while achievement will be monitored by a single measure in the National Indicator Set. The only information required will be **the total net value of on-going cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year**. This data will be collected twice in each financial year (forecast in October, and actuals in July).
- 2.6 This information will be collected in order to assess the national and regional performance against the overall efficiency target of £4.9billion by 2010/11. However the rest of the reporting requirements i.e. the analysis of savings by service sector and the use of accompanying 'quality cross-checks' PIs to support performance improvement, have been dropped.
- 2.7 Reporting arrangements have, however, **continued unchanged** for the submission of the 2007/08 Backward Look AES. The new arrangements will apply after the July 2008 return, so the process of completing this AES is effectively the same as in previous years.

3. Feedback on the 2006/07 Backward Look

- 3.1 The provisional 2006/07 Backward Look AES was submitted to Cabinet for approval on 28th June 2007, and subsequently submitted with amendments to DCLG by the deadline of 5th July 2007.
- 3.2 The draft 2006/07 efficiency savings reported to Cabinet totalled £5.681m of which £4.571m were deemed to be cashable.
- 3.3 The final submitted figures to the DCLG highlighted total efficiency savings of £6.303m for 2006/07, of which £5.783m were deemed cashable efficiencies. The main differences between the figures reported to Cabinet and the final submission were as follows:
- Deduction of the removal of surplus capacity in the mainframe system of £632k (non-cashable).
 - Direct Payments, Arrears Recovery, Day Services and Purchase Cards added in of £597k (£532k cashable, £65k non-cashable).
 - Environmental Services & Waste efficiencies added of £639k (cashable).
 - Passenger Transport Authority (GMPTE) savings added of £62k (cashable); Corporate Services savings added totalling £50k (cashable); and airport dividend increase of £26k (cashable) taken out
- 3.4 These figures were later revised in August 2007 on the advice of the DCLG, the only adjustment required being the partial removal of the estimated efficiencies from savings in the Landfill Allowance Trading Scheme (LATS) and Landfill Tax. £504k in total (cashable) was removed from the estimated efficiencies on the

basis that savings in this area were ineligible as they represent transfers of public funds and do not save money for the public sector as a whole.

- 3.5 The final Backward Look AES for 2006/07 therefore had reported total efficiency gains of **£5.798m** with cashable efficiencies making up **£5.278m**.

4. Feedback on the 2007/08 Forward Look

- 4.1 The provisional 2007/08 Forward Look was presented to Cabinet on 29th March 2007. The total efficiency gains forecasted at that stage were £3.520m, of which £2.294m were classified as cashable.

- 4.2 The final 2007/08 Forward Look submission to the DCLG declared total estimated efficiencies of **£6.143m** of which **£5.589m** were cashable. The main differences between the report to Cabinet in March and the actual submission to DCLG in April were as follows :-

- Confirmation that Social Housing (Capital) was an eligible efficiency totalling £2,937k (cashable). This was an area identified as being a potential Gershon efficiency under the Guidance in the report to Cabinet in March and following the determination of treatment was included in the AES.
- Confirmation of Passenger Transport Authority (GMPTE) savings of £136k (cashable)
- Off-set by reductions due to removal of those efficiencies of doubtful eligibility : Child Support Team £60k; Engineering Consultancy Work £48k; Highways Advertising Strategy £120k; School Redundancy Costs £75k; Additional Income for Car Parking and Permits £117k; Others = £30k.

5. The 2007/08 Mid-Year Estimate

- 5.1 The requirement on the Council was to achieve total efficiency gains of £21.9765m of which 50% must be cashable over the three-year period ending 2007/08. Up to the end of 2006/07, total gains had been claimed of £20.172m of which £18.087m (90%) were classified as cashable.

- 5.2 The Mid-Year 2007/08 AES Estimate, reported to Cabinet on 15th November 2007, forecasted efficiencies of £5.990m of which £5.686m (95%) are classified as cashable. This compares favourably to the forecasted Forward Look total efficiency gain approved in April of £6.143m in 2007/08, of which £5.589m (90%) were estimated to be cashable. It was reported that, if achieved, the forecasted gains for 2007/08 would imply a total efficiency gain being achieved by the end of 2007/08, of **£26.162m** of which **£23.773m (91%)** would be deemed cashable.

- 5.3 Extrapolating the final position using the Mid-Year 2007/08 AES Estimate, the SR04 targets appeared to be achievable. If the Council is indeed able to carry-forward the proportion of the efficiency gains achieved above the target into the next CSR07 period, the amount to carry-forward appeared to be in the region of **£1.796m** (£23.773m - £21.9765m), assuming that the total on-going cashable efficiencies realised to date in excess of the total efficiency target for Wigan Council (2.3) may be carried-forward.

6. The Proposed 2007/08 Backward Look AES

- 6.1 The proposed 2007/08 Backward Look AES is shown in summary form in Appendix 'A'. As in previous years, the figures shown have been subjected to rigorous analysis by members of the Corporate Delivery Team (CDT) as well as coming under scrutiny by central accountancy in order to ensure the savings are defensible, eligible and appropriately classified and calculated.
- 6.2 The draft provisional 2007/08 Backward Look AES shows total efficiency savings achieved in 2007/08 of **£6.620m**, of which **£6.421m** are deemed to be cashable (97%).
- 6.3 Factoring these out-turn efficiency savings into the total from previous years, total efficiency savings will have been achieved of **£26.792m**, exceeding the total efficiency target to the end of the SR04 period of **£21.9765m**. Of the total efficiency gains made in the SR04 period, **£24.508m** (91%) are classified as cashable efficiencies, exceeding the 50% 'cashable' efficiency target.
- 6.4 The amount eligible for carry-forward to the CSR07 period (2.3) appears to be approximately **£2.531m** (**£24.508m** less **£21.9765m**). This exceeds that predicted at the Mid Year stage (5.3) of £1.796m.
- 6.5 The Council has succeeded therefore in exceeding the first set of Gershon targets. However, the targets will be even harder in the next three years and there is therefore a need to re-double the collective effort of all Officers and Members to focus on successfully meeting the new CSR07 target for 3% p.a. on-going cash-releasing efficiencies.
- 6.6 In particular, a number of other items under procurement, productive time and transactional efficiencies require more careful analysis before these can be considered for inclusion. It is important to be able to evidence that any savings are additional to those declared in previous years. Given the potential materiality of such figures for the Council as a whole, and the increasing efficiency target from 2008/09 onwards, it may become increasingly important in future years to address this issue and put in place robust processes for measurement of such efficiency gains.
- 6.7 The Support Services Review has already identified the potential for further efficiencies and work is currently under-way to deliver on this potential. A number of functional work-streams have been set up and the back-office business processes are currently being scrutinised. A significant element of the savings that are expected to emerge are likely to be considered as cash-releasing on-going efficiencies under the Gershon measurement principles, releasing resources to be re-deployed elsewhere in the Authority.

7. Conclusions

- 7.1 The report is brought to Cabinet for information and for additional comments on the strategy and key actions stated.

- 7.2 The statement must be formally approved by the Leader, Chief Executive and Executive Director for Business Support Services; and such approval evidenced.
- 7.3 The 2007/08 Backward Look AES must be submitted by 8th July 2008 by 5pm. Colleagues have been asked to ensure that the savings submitted are supported by factual evidence and that the comments on strategy and key actions properly reflect their views. It may, therefore, be necessary to make changes to the AES before submission on 8th July. Whilst I do not expect these to be material I will update the Cabinet of significant changes.

8. Recommendation

- 8.1 Cabinet is asked to approve the AES and authorise the Executive Director for Business Support Services to make any final amendments, reporting these to the Leader and Chief Executive.

APPENDIX A

	Forecast 2007/08 Efficiency Gains £000	Efficiencies Achieved 2007/08 £	..Of which is cashable £	...Of which is not cashable £	... Of which expected to be on-going £	... Of which is cashable £	For Further Validation £	Memo For Further Discussion £	Comments
Adult Social Services									
Home Care	170	171,362	171,362		171,362	171,362			Providing the same level of service but at reduced cost. Externalising almost 100% of Home Care Service has been targeted to achieve £500k in the Forward Look but this was amended to reflect the delay of letting of the contracts, down to £170k in the Mid Year Estimate. Originally letting was due to take place from 1st October, this was delayed to 21st January 2008 - due primarily to the additional time needed to resolve TUPE and pensions issues with providers, thereby leading to reduced efficiency savings in 2007/08. The saving is cashable as releasing resources to be used elsewhere - Gershon saving calculated on basis of 69 days / 365 days x full year saving of £906,480 = £171,362
Adult Services Procurement	50	14,130	14,130		14,130	14,130			Providing the same level of service but at reduced cost. A) commencement of one contract has been put back to 2008/09; relating to a contract for the care of 8 people with Learning Disabilities - existing contract £353k, new contract value £257k = annual saving of £96k. The contract commencement has been put back due to legal action initiated by some service users against the proposed changes. B) a contract to provide Mental Health Drop-In services has produced an in-year efficiency cashable saving of £14k.
Transport	70	38,761	38,761		38,761	38,761			Providing the same level of service but at a reduced cost. A number of spot purchasing arrangements have existed with various taxi companies - these have been brought together and subjected to the tendering process. This has resulted in more competitive rates per mile. Savings realised are lower than forecasted due to delays in implementing new contracts, to allow time for sufficient planning to ensure a smooth transfer to the new providers.
Transition	80								Providing the same level of service, but at a reduced cost. Savings were expected to be achieved in this complex and high-cost area by reviewing the arrangements of a number of clients with complex needs, with a view to bringing back clients into the borough and with less expensive arrangements. Progress has been delayed into 2008/09 due to resistance to change by clients and carers.
Integrated Community Equipment	85	144,000		144,000	144,000				Savings have exceeded the forecast due to increased operation of the decontamination unit, and an increase in recycling activity. NOTE:- Getting a longer life out of the equipment as some items can be returned and decontaminated and then loaned out again (efficiency is shown net of the extra costs). Extra output for the same level of resource inputs = non-cashable efficiency gain
Sub Total	455	368,253	224,253	144,000	368,253	224,253	0	0	
Children's Services									
Vacancy Factor	79	170,000	170,000		170,000	170,000			Gross salary savings achieved of £350k less savings on agency labour costs of £180k shown below - introduction of a 1% vacancy factor across the whole of CYPs, part of 2007/08 Budget reductions process
Reduced Supply Staff	150	180,000	180,000		180,000	180,000			Reduced dependency on External Agencies to supply social care staff when staff shortages arise due to sickness etc. & Tighter control by Care Centre Managers (CCMs). Part of 2007/08 Budget Reductions process, cost centre managers challenged to manage increased demands from within their total budget resources.
Closure of Resource Centre at Cavendish Street, Leigh	322	396,000	396,000		396,000	396,000			Cashable savings of £396k which was the total Approved Budget for the centre in 2007/08. Resources released to be re-used elsewhere (Outreach Service & increasing the services of the Children in Need Duty Team).
Sub Total	551	746,000	746,000	0	746,000	746,000	0	0	

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Culture & Sport									
Parks and Countryside Management Re-structure	40	12,000	12,000		12,000	12,000			Management re-structure to provide unchanged service, but savings not as great as anticipated for the Mid-Year Estimate
Re-negotiation of Grounds Maintenance transport charges	15	15,000	15,000		15,000	15,000			Grounds maintenance transport recharges savings achieved to the Trust through negotiation
Reduced Active Life non-pay costs	94	94,000	94,000		94,000	94,000			Reduced Active Life non-pay costs achieved via management efficiencies
Reduced Corporate Support non-pay costs	10	10,000	10,000		10,000	10,000			Reduced Corporate Support non-pay costs achieved via management efficiencies
External audit costs	10	11,000	11,000		11,000	11,000			Re-negotiated contract with external auditors
Elderly Swimming	6	23,000		23,000	23,000				Initiative a great success in attracting increased participation rates for the same level of cost, attracted higher numbers than budgeted for at Mid-Year Estimate stage
Swimming pool covers	10	10,000	10,000		10,000	10,000			Savings in energy costs
Active Life Pay Cost Reductions	30	31,000	31,000		31,000	31,000			Due to changes in the management structure, changes took effect from January 2008; at the Mid Year Estimate stage budgeted savings were £30k but this was slightly exceeded in the out-turn for 2007/08
Banking Costs		2,000	2,000		2,000	2,000			Re-negotiated contract
Sub Total	215	208,000	185,000	23,000	208,000	185,000	0	0	
Environmental Services & Waste									
Staff Savings from Environment Review	166	46,231	46,231		46,231	46,231			Brian Stewart (£38,226 Basic Pay x 50% (half a post dis-established, half a post transferred to Contact Centre), less £9,369 basic salary costs in 2007/08 for first 3 months) = £9,744; & Steve Liptrot (£36,487) post dis-established and merged with another post. TOTAL SAVING = £46,231 (cashable). Cashable as same service provided for lower cost input.
Reduced Non-Active Open Space Budget	10								Budget savings of £10k entered in Open Space budget on Planning but not achieved - slight overspend on Open Space budget in actuals for 2007/08
Reduced Public Conveniences Budget	13								Savings part of budget reductions in budget files. Nil actual expenditure in 2007/08 or 2006/07 therefore no efficiency saving has occurred
Savings on Overheads	50								Savings not achieved / difficult to substantiate on overheads
Security Services Tender	25								Savings expected to be made on CCTV equipment budget but in 2007/08 an overspend was recorded therefore no efficiency savings to claim.
Environmental Services Contact Centre	90	85,262	85,262		85,262	85,262			Disestablishment of 2 posts in former Community Protection Department, 1.5 posts in former Planning Department and 1 FTE in Transport DSO. Savings vired and used elsewhere for the Environmental Services Contact Centre - CASHABLE saving as re-directing resources to be used elsewhere, existing service levels maintained within same level of resources
Waste Collection Best Value Review	179	192,681	192,681		192,681	192,681			Savings included from the Cabinet report 4/10/07 - savings on 2007/08 Refuse Collection DSO Vehicle Hire, transport contract vehicles secured at reduced rates. Daily costs of £150.58 per vehicle in April and May '07 reduced from 1st June '07 to £118.37 per day, x 19 vehicles = £186,657 full-year saving. Another vehicle was £138.12 in April and May '07 but from 1st June '07 reduced to £118.37 resulting in a full-year saving of £6,024. TOTAL CASHABLE EFFICIENCY = £192,681
Purchase of Green & Brown Bins		136,105	136,105		136,105	136,105			Achieved lower unit prices for purchased green and brown bins - purchase price of Green Bins £13.19 x 16,000 = £211,040 and £13.40 x 5,225 = £70,015. Total price of Green Bins = £281,055 compared to £365,495 before negotiated price savings from a unit cost of £17.22 originally. Brown bins purchase costs savings per unit down from £17.22 to £13.40 x 13,525 units = £181,235; original unnegotiated price was £17.22 per unit which would have resulted in a cost of £232,901. Overall savings of £136,105 achieved on both green and brown bins. Cashable as lower price cost input for same services provided.
Sub Total	533	460,279	460,279	0	460,279	460,279	0	0	

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Local Transport (Highways)									
Engineering Consultancy Re-Structure		88							
Highways DLO / Leigh Building Services Re-Structure		159	43,138	43,138		43,138	43,138		Efficiencies not achieved at the levels originally anticipated for 2007/08 out-turn
Transport DSO Re-Structure		70					194,000		Requiring further work to evaluate savings arising from Transport DSO fitters (£80k) and Transport DSO Management Re-structure (£114k)
Highways DLO Tenders Won								224,356	Price savings generated from margins between Highways DLO successfully winning tenders on basis of lowest priced tender versus the second-lowest tenderer. May be a cashable efficiency saving on the basis that a lower price for the same service has arisen compared to that offered by an alternative provider. However does it represent a genuine efficiency saving ? - guidance makes clear that in evaluating efficiency savings the correct basis to use is to compare with the authority's previous performance, not with other organisations' costs. The Highways DLO Tenders were included in 2006/07's Forward Look, but excluded from the 2006/07 Backward Look due to this doubt about their eligibility.
Sub Total		317	43,138	43,138	0	43,138	43,138	194,000	224,356
Passenger Transport Authority									
		136							Not yet been informed of PTA efficiency gain - likely to be some but impossible at this stage to quantify therefore prudent estimate of NIL.
Sub Total		136	0	0	0	0	0	0	0
Wigan and Leigh Housing Arms Length Management Organisation (ALMO)									
Sub Total		0	0	0	0	0	0	0	0
Social Housing (Capital)									
2007/08 Capital		3,310	3,251,991	3,251,991		3,251,991	3,251,991		Reflecting successful negotiation of reduced inflation uplift with contractors, but not quite to the level anticipated in the forecast. Providing the same level of service after withstanding the impact of inflation and the allowed inflation uplift from the BCIS 'All-in-One' Tender Price Index (TPI) allowed increase of 5% in 2007/08. The actual costs achieved were held below this therefore generating an allowable cashable efficiency saving - providing the same level of service for reduced cost inputs, which is currently forecasted to be on-going.
Sub Total		3,310	3,251,991	3,251,991	0	3,251,991	3,251,991	0	0
Social Housing (Revenue) / LA Social Housing (Other)									
Reduction in Management Fee		0							
Sub Total		0	0	0	0	0	0	0	0
Non School Educational Services									
Vacancy Factor		100					167,000		Gross salary savings of £292k less savings as a result of dis-establishing posts etc. of £125k (shown below). Funding removed from base and expenditure under control, same level of service provided but lower funding available, releasing resources to be used elsewhere: introduction of a 1% vacancy factor across CYPS to be managed centrally and part of 2007/08 budget reductions process.
Strategic Management		150	125,000	125,000		125,000	125,000		Impact of dis-establishing two advisory posts & overheads
Out-Door Education Centres			10,000	10,000		10,000	10,000		Food cost efficiencies as a result of using agency staff & seeking new suppliers
Issuing Penalty Notices (within Education Welfare Service)		36	32,000		32,000	32,000			1 Full Time Senior Environmental Welfare Officer - absorbing extra workloads from administering Penalty Notices and parenting contracts in relation to non-school attendance. Extra output for same level of resource inputs, non-cashable efficiency gain
Parent Partnership Resolution			4,000	4,000		4,000	4,000		Alternative to 'The Together Trust' sought re SEN Disagreement Resolution Service - no cost incurred in 2007/08 compared to fixed costs in 2006/07 of £4k.

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Sub Total	286	171,000	139,000	32,000	171,000	139,000	167,000	0		

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Supporting People									
Supporting People	30								Estimated efficiencies built into forecasts but on later examination it was found that the efficiencies claimed for 2007/08 out-turn were in fact below-inflation awards of subsidy/funding to VCS organisations. As this is specifically against principle A15 of the Gershon guidance, this must be removed. For information the calculated total efficiency gain would have been £35,857 for 2007/08 slightly in excess of the estimate - this is a genuine saving for the Council but cannot count as it impacts negatively on VCS.
Sub Total	30	0	0	0	0	0	0	0	
Homelessness									
Sub Total	0	0	0	0	0	0	0	0	
Corporate Services									
<u>Legal and Property Services</u>									
Grand Arcade expenditure		210,180	210,180		210,180	210,180			Budget savings of £200k built into revised budget for Grand Arcade - despite this reduction, an underspend on the area of £10k was achieved bringing total cashable efficiencies - money able to be re-applied elsewhere - to £210k
IT Estates Website	2								Not achieved
IT Estates DC08 application	2								Not achieved
Contracts: Window Cleaning	10								Not achieved
Sub Total	14	210,180	210,180	0	210,180	210,180	0	0	
<u>Chief Executive's</u>									
Print Section and Registrars' Income		10,000	10,000		10,000	10,000			Successfully exceeded income target in budget for Registration Charges despite an increased target required from the budget growth/reductions exercise by £10k. Cashable as additional income can be re-directed elsewhere
Closure of Polling Stations	13								Not achieved in the actuals
Policy Team Staff Savings / Professional Fees	10								Budget reduction of £10k not achieved - slight overspend in 2007/08 on Professional Fees budget
Vacant Posts / Managed Vacancies	35	156,986	156,986						One-off efficiency gains only expected to occur in 2007/08 resulting from freeze on recruitment of new staff in Chief Executive's Department, exceeding the £35k anticipated budget savings
Departmental Savings - reduction in 'controllable' expenditure	34	25,195	25,195		25,195	25,195			Budget reductions of £34k not achieved as originally planned, slight overspend on controllable expenditure budgets in 2007/08 but still below 2006/07's out-turn
Sub Total	92	192,181	192,181	0	35,195	35,195	0	0	

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Finance and IT									
Post Office Transaction Costs		18,151	18,151		18,151	18,151			Budget reduction/saving of £20k, off-set by slight overspend in 2007/08 on budget for Post Office Transactions of £2k
Telephone Rentals		32,239	32,239		32,239	32,239			Budget reduction/saving anticipated of £40k but slight overspend reached on 2007/08 out-turn resulting in reduced efficiency gain
Salary Savings (Staff Vacancies)	40								Not achieved but some managed vacancy savings included below
Software Licenses	10	31,135	31,135		31,135	31,135			Savings originally planned of £10k in budget reductions/savings exercise exceeded with an underspend of £21k at year-end despite reduced budget
Managed Vacancies	40	792,192	792,192						One-off efficiency gains only expected to occur in 2007/08 resulting from freeze on recruitment of new staff in the former Finance and IT Department with the incoming Support Services Review, exceeding the £40k anticipated budget savings
Printing and Stationery	17	23,736	23,736		23,736	23,736			Across the areas of Payroll, Internal Audit and Benefits, £17k anticipated budget savings were successfully implemented, even so additional underspends of £7k were achieved bringing a total cashable efficiency saving for the year to £24k
Sub Total	107	897,453	897,453	0	105,261	105,261	0	0	
Procurement									
Office of Government Commerce savings		71,650	71,650		71,650	71,650			OGC Buying Solutions - 'Savings for the Nation' programme notification letter dated 3rd June 2008 - accredited savings in procurement costs in 2007/08 through using the latest procurement technologies. Total savings of £142,249 of which £70,599 are process savings and are not eligible as a Gershon efficiency. Remaining £71,650 price savings count as an eligible Gershon cashable efficiency gain in 2007/08 and it is assumed that the savings are all on going to future years.
Sub Total	0	71,650	71,650	0	71,650	71,650	0	0	
Productive Time									
Sub Total	0	0	0	0	0	0	0	0	
Transactions									
Sub Total	0	0	0	0	0	0	0	0	
Misc. Efficiencies									
Sub Total	0	0	0	0	0	0	0	0	
Total Backward - Looking Efficiencies 2007/08	6,046	6,620,125	6,421,125	199,000	5,670,947	5,471,947	361,000	224,356	