

Local authority Isle of Wight Council

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Statement

Strategy for period to 2007/08

The Island vision for the future encapsulates the principles of community leadership, sustainability, high performance and cost effectiveness which are the key drivers in shaping the Council's approach to service delivery. Within that context, the Council's intention is to deliver its identified strategic objectives whilst at the same time controlling its budget by limiting the annual increase in Council Tax to no more than the rate of inflation. The Council's approach to identifying efficiency savings is to adopt cross-service efficiency targets which will assist the objective to control the amount of the Council Tax increase to inflation, year on year, whilst also releasing resources to assist the delivery of its principal objectives and allow the implementation of a number of new initiatives. To that extent, the efficiency targets are higher than those identified by the ODPM in order to provide a degree of flexibility. The efficiency strategy is based on collaboration with partners, both public and private sector, to improve service delivery to the local community. Other aspects of the efficiency strategy include maximising the use of existing assets and resources and disposing of those assets surplus to service requirements, improving performance by implementing a workforce strategy, and wherever possible seeking cost efficiencies by redeploying staff, particularly if that assists the delivery of the Council's strategic objectives.

Key actions in 2006/07

Key actions to be taken during 2006/7 are as follows:

1. Working with Partners

- Strategic transformation partner for support services and business administration
- Potential merger of Adult Services with PCT and NHS Trusts and/or improved service through pooled budget arrangements
- Progress towards approval of a Highways PFI scheme
- Partnering approach to construction procurement, particularly in the Education capital programme
- Implementation of improved services for the local community through a Local Area Agreement
- Developing partnerships to provide affordable homes, reduce homelessness

2. Maximising the use of Existing Assets and Resources

- Property rationalisation
- Disposal of properties declared surplus to requirements
- Improvements to schools
- Optimising management and administration overheads
- Improving services through process re-engineering
- Improving access to services through e-government initiatives

3. Improving Performance through Implementation of a Workforce Strategy

- o Ensuring the right people, with appropriate skills, are in the right place to deliver corporate objectives
- o Develop the skills and capacity of the workforce
- o Develop leadership capacity
- o Improving the supply of skilled staff available to the Council
- o Improve sickness and other absences from work
- o Manage non-productive time

4. Delivering the Council's Strategic Objectives

- o Economic regeneration of the Island
- o Improving educational attainment
- o Creating safer and stronger communities
- o Improving the health and well-being of Island Communities
- o Reducing the percentage of the waste stream taken to landfill
- o Developing sustainable transport solutions and energy conservation

	Expected annual efficiency gains (£)	...of which cashable (£)
	1,534,254	1,351,854
Adult social services	<p>Strategy: Working in partnership with the NHS trust and PCT, the Council's strategy is to improve access to health and social care for the local community, principally through pooled budget arrangements. The efficiency gains will be achieved through outsourcing parts of the service, reorganisation of the management of the Directorate, staff restructuring, procurement savings and other partnership arrangements.</p> <p>Key actions: Outsourcing of the Wightcare service will deliver efficiency savings of £420,000, staff savings are estimated to be £600,000, other initiatives will include reduced commission payments to homes and home and day care market management</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Children's services	299,672	249,972
	<p>Strategy: The Children's Services strategy is to combine the management of Children's and Education services, allowing senior management costs to be saved and redeployed. In addition, the provision of a locally based respite care home will allow efficiency gains to be made by delaying the admission of a child to a mainland placement by a number of months.</p> <p>Key actions: Staff savings from restructuring of senior management of the new directorate amount to £100,000. The efficiency saving arising from a local respite care home allows a saving in the agency placement budget of £80,000. Other savings arise from reduced sickness costs and the effective management of staff increments.</p>	
Culture and sport	671,422	476,561
	<p>Strategy: Savings in this sector arise from the culture, leisure and tourism budgets. Changed management arrangements in Culture and Leisure services by combining the two services have delivered significant efficiency gains, for Tourism the main efficiencies arise from the provision of an on-line booking system available Island wide. In future, value for money studies for both Leisure and Tourism services are planned to ascertain whether the service might be delivered by other means, for example through a Strategic Partnership, in order to provide a more effective and efficient service for the local community.</p> <p>Key actions: Management restructuring of Culture and Leisure services will deliver savings of £150,000. Other staff restructuring initiatives throughout the services are likely to deliver further savings of £200,000. The remaining savings arise from e-government projects, procurement savings, improved sickness absence and the effective management of increments.</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Environmental Services	757,700	757,700
	<p>Strategy: The Council has an effective integrated waste management contract with its street cleansing contract provided by the same contractor. The main part of the efficiency strategy is to reduce the amounts of waste going to landfill by encouraging recycling. Because of the nature of the service the existing contract is relatively long term, allowing economies of scale from the mobilisation of capital assets throughout the term of the contract. This in turn allows procurement options to be considered within contractual flexibilities.</p> <p>Key actions: Reducing amounts of waste delivered to landfill allows savings of £130,000 in the landfill tax budget. Other efficiency gains arise from reducing the contract price through volume efficiency and redefining street cleansing frequency where appropriate.</p>	
Local transport (highways)	233,621	173,771
	<p>Strategy: The main part of the strategy for securing efficiency gains for highways is to work towards approval of a Highways PFI scheme for the Island. This will assist the effective delivery of a number of the Council's corporate objectives, in particular improving safety and making a positive contribution to the economic regeneration of the Island.</p> <p>Key actions: Staff restructuring will contribute some £70,000, augmented by improved sickness absence and management of increments. The other significant element of the savings arises from the use of alternative construction techniques in resurfacing schemes to reduce procurement costs and provide additional value for money within available resources.</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Local transport (non-highways)	36,500	36,500
	<p>Strategy: The strategy for transport services is to encourage use of public transport by improving access and making available free or low cost travel to specific groups of service users at all times.</p> <p>Key actions: Staff restructuring by combining management of the public transport, traffic management and car parking sections.</p>	
LA social housing (capex)	0	0
	<p>Strategy: Improve accessibility to affordable homes</p> <p>Key actions: Work with partner organisations to carry out a range of surveys aimed at identifying the condition of the current housing stock and future needs in order to develop a capital programme which will deliver community needs.</p>	
LA social housing (other)	93,911	71,111
	<p>Strategy: Housing surveys, condition surveys, availability in rural areas to identify housing needs and enable work with partners and other agencies to ensure suitable housing is available to the local community, in particular affordable housing in appropriate locations.</p> <p>Key actions: Reorganisation of the Housing Service has allowed efficiency gains to be identified in support service areas which can be redirected to augment front line service delivery.</p>	
Non-school educational services	255,153	180,253
	<p>Strategy: Implementing a programme of construction partnering in the Education capital programme to improve value for money in delivery of the schools improvement programme, bearing in mind the relatively limited availability of suitable contractors on the Island. In order to secure improvements in educational attainment, rationalisation of senior management and working with partners to improve delivery of the service.</p> <p>Key actions: Staff savings through restructuring of senior management, augmented by improved sickness absence and effective management of increments. Construction partnering is anticipated to realise efficiency gains of some £50,000 for the local authority in the early stages of the partnering programme.</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Supporting people	0	0
	<p>Strategy: Implementation of a service review programme identified the need for Client Support Plans, the introduction of which has improved efficiency by focussing support towards core housing provision.</p> <p>Key actions: None planned in the current year, efficiency savings currently under review.</p>	
Homelessness	45,572	45,572
	<p>Strategy: Reducing the net cost of temporary accommodation for homeless people by leasing accommodation from Private Sector Landlords as opposed to the placement of households in bed and breakfast accommodation. Developing a sustainable solution to homelessness by identifying realistic alternatives to provide longer term, low cost options for the homeless.</p> <p>Key actions: Managing a reduction in homelessness costs by procuring accommodation from private sector landlords rather than placing homeless households in bed and breakfast accommodation.</p>	
Other cross-cutting efficiencies not covered above		
Corporate services	865,044	673,489
	<p>Strategy: Working with partners to create a range of efficiency savings in support service delivery through staff reorganisation, redeployment of administrative staff, review of business administration and e-government initiatives.</p> <p>Key actions: Savings identified by reorganising the Chief Executive's department, staff savings in support services, document image processing, reduced sickness absence and effective management of incremental progressions. Other efficiency gains arise from reducing support to external forums and encouraging more effective use of Town and Parish Councils to engage the community with local issues.</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Procurement	497,140	497,140
	<p>Strategy: Making improvements to the strategic procurement strategy and implementing construction partnering, e-procurement initiatives and other methods of modernising procurement processes and contract management practices.</p> <p>Key actions: The most significant efficiency gains in the procurement sector are expected to arise from energy savings from negotiation of fixed contact prices, improvements in energy conservation, implementation of an e-procurement system, and a range of other procurement savings including mobile phones tariff migration efficiencies.</p>	
Productive time	819,225	522,285
	<p>Strategy: Productive time savings arise from improved absence and vacancy management, effective management of incremental progressions, improved productivity by absorbing new duties within existing staff structures wherever possible, redeploying support service staff to augment front line service delivery.</p> <p>Key actions: Wherever possible, productive time savings have been attributed to service sectors. Those savings remaining in this sector represent corporate productive time savings not attributable to service sectors and include Financial Services, Revenues and Benefits, Policy and Communications, Legal and Democratic, Consumer Protection, Planning etc. Specific initiatives include redeployment of staff, support service restructuring, and the management of new initiatives within existing staff resources.</p>	
Transactions	270,232	221,232
	<p>Strategy: Efficiency gains in the transactions sector arise from improving the take-up of services through more efficient collection methods, use of on-line payments and increasing the number of Housing Benefit claims processed by existing staff.</p> <p>Key actions: The key areas of saving in the transactions sector are improved collection rate for Council Tax, improved take-up of the Housing Benefits service and use of on-line payments for the provision of services to the local community.</p>	

	Expected annual efficiency gains (£)	...of which cashable (£)
Miscellaneous efficiencies	157,000	127,000
	<p>Strategy: Improving asset utilisation through development of a strategic Asset Management Plan, property rationalisation and resultant disposal of surplus properties. Also the implementation of invest to save initiatives in service areas not covered by other service sectors, and the use of partnership arrangements with EU partners in Coastal Management to develop strategies for dealing with the potential impacts of climate change, essential in an Island environment.</p> <p>Key actions: Property rationalisation and disposal of properties identified as surplus to requirements, improved Coastal Management service arising from the ability to use EU funds and partnership arrangements to develop strategies and plans for coastal erosion and climate change and apply them for the benefit of the residents of the Isle of Wight.</p>	
Total	6,536,446	5,384,440