

Annual Efficiency Statement - Mid-Year Update

Local authority

Isle of Wight Council

Contact name

Stuart Fraser

Job title

Accountancy Services Manager

Email address

stuart.fraser@iow.gov.uk

Submitted date

17/11/2005 02:26 PM

General or Overarching Comments

The original submission made in April 2005 was a high level submission designed around delivering broad themes for identifying efficiency savings. During the first 6 months of the year, and whilst compiling the 2004/05 Backward Look, more detail was applied to the identification of specific efficiencies in each service sector and cross-cutting theme, with the result that considerable variations can now be made to the original efficiency savings plan and the forecast efficiencies in 2005/06 are considerably in excess of those originally envisaged.

	Estimated efficiencies achieved Apr 05 - Sept 05 (inclusive)	Forecast 2005/06 efficiencies	...of which cashable	2004/05 annual efficiency gain	2004/05 ...of which cashable	Forecast cumulative efficiency	...of which cashable
Adult social services	171,653	380,906	198,506	185,853	185,853	566,759	384,359
	Explanation of Major Differences: Joint negotiations with the Primary Care Trust have enabled the contract for Learning Disability clients to be reduced without reducing the quality of service provision to the client group. Re-organisation of the Directorate has allowed several senior management posts to be deleted from the establishment, allowing resources freed up to be redirected towards front line service delivery. In addition, a method of identifying sickness absence savings by service sector has been identified which has allowed elements of those savings to be redirected from productive time cross-cutting efficiency sector						
Children's services	86,942	201,958	152,258	76,500	76,500	278,458	228,758
	Explanation of Major Differences: Re-organisation of the Directorate will allow several senior management posts to be redefined during the second half of the year, and other staff redeployments will also allow resources to be released to assist front line service delivery. In addition, a method of identifying sickness absence savings by service sector has been identified which has allowed elements of those savings to be redirected from productive time cross-cutting efficiency sector						
Culture and sport	106,170	260,030	179,421	9,109	0	269,139	179,421
	Explanation of Major Differences: The main differences in this sector arise from changed management arrangements in Leisure Services, a re-assessment of management requirements in the Library Service, and savings resulting from						

	reduced sickness absence being identified on a service basis rather than attributed as a Council-wide corporate saving in the productive time cross-cutting sector						
Environmental services	91,000	182,000	182,000	91,850	91,850	273,850	273,850
	Explanation of Major Differences: Original savings submission was related solely to Landfill Tax, in particular the diversion of waste from landfill by use of various recycling initiatives to reduce exposure to increased Landfill Tax. This has now been augmented by further savings arising from other aspects of the Council's integrated waste management contract, mainly reduced prices in certain areas without detriment to the service provided to the public						
Local transport (highways)	105,350	359,538	299,688	137,063	137,063	496,601	436,751
	Explanation of Major Differences: Most significant element of the savings in highways arise from the use of an alternative carriageway reconstruction technique utilising recycled materials to produce significant contract savings, increased activity in the Highways Development Control section providing additional income potential from local developments, and savings resulting from reduced sickness absences, now service specific						
Local transport (non-highways)	0	0	0	55,700	55,700	55,700	55,700
	Explanation of Major Differences: Original savings in 2004/05 identified within the car parking service. Currently there is some doubt whether those will be repeated, hence they are not assumed at this stage in the year. However it seems likely that reorganisation of the service in the latter part of the year will allow efficiency savings to be made in 2005/06 and future years without a detrimental impact on the service provided to the public						
LA social housing (capex)	0	0	0	0	0	0	0
	Explanation of Major Differences:						
LA social housing (other)	34,840	75,987	53,187	0	0	75,987	53,187
	Explanation of Major Differences: Reorganisation of the Housing Service has allowed savings to be identified from support areas which can then be redirected to assist front line services						
Non-school educational services	69,550	154,200	79,300	7,946	7,946	162,146	87,246
	Explanation of Major Differences: The efficiency savings identified in this sector arise from construction partnering, senior management staff retiring from the service and those duties being assumed elsewhere, and savings resulting from reduced sickness absence						
Supporting people	190,784	381,567	0	175,619	0	557,186	0
	Explanation of Major Differences: Savings in this sector were achieved by a number of different methods, principally the suspension/withdrawal of a number of under-performing services with clients being placed with other service providers with an identified under-capacity. The service review programme highlighted the need for Client Support Plans, the introduction of which has further improved efficiency by focussing support towards core housing provision						
Homelessness	22,786	45,572	45,572	45,572	45,572	91,144	91,144
	Explanation of Major Differences: Main efficiency arises from managing the reduction in the net cost of temporary accommodation for homeless people through the leasing of accommodation from private sector landlords as opposed to the placement of households in temporary bed and breakfast accommodation						
Other cross-cutting efficiencies not covered above							

Corporate services	124,461	227,772	47,050	38,281	25,900	266,053	72,950
	Explanation of Major Differences: Original submission for Corporate services efficiencies was linked to a telephony review. Current savings identified include document image processing, customer service centres, reduced sickness absence amongst corporate services staff and one-off savings linked to the provision of ICT facilities to elected members						
Procurement	339,922	700,559	614,529	463,363	377,333	1,163,922	991,862
	Explanation of Major Differences: Original strategy for procurement savings centred on construction partnering, general procurement strategy and e-procurement. Construction partnering is now included in service sectors, e-procurement initiatives are under way. Main efficiencies identified are related to a corporate fixed price energy contract for gas and electricity, mobile phone contract savings and an improved quality data management system in Tourism						
Productive time	260,092	536,516	216,318	830,483	63,502	1,366,999	279,820
	Explanation of Major Differences: Productive time efficiency savings originally included corporate targets for absence and vacancy management and staff restructuring. Wherever possible these savings have been attributed to service sectors, thereby reducing the savings recorded within this cross-cutting sector. Those savings remaining represent corporate productive time savings not attributable to specific service sectors						
Transactions	126,950	258,232	209,232	256,099	209,299	514,331	418,531
	Explanation of Major Differences: The predicted efficiency saving for transactions was directly linked to benefits service take-up. Current savings identified relate to a number of issues, principally improved collection methods for Council Tax, including on-line payments, which have resulted in an improvement in the total percentage of Council Tax collected in the year						
Miscellaneous efficiencies	65,500	161,000	131,000	117,741	101,995	278,741	232,995
	Explanation of Major Differences: Original strategy included property rationalisation, staff travel savings, prudential borrowing spend to save initiatives and energy conservation/green travel plans. Some of these issues are in progress and are beginning to realise efficiency savings whereas others, for example green travel plans, are still being planned. In addition, certain of the savings have been identified within service sectors and are recorded as such						
Total	1,796,000	3,925,837	2,408,061	2,491,179	1,378,513	6,417,016	3,786,574