

Salisbury District Council

Annual Efficiency Statement

2006/07 Forward Look

(a) **Strategy for Securing Efficiency Gains**

Achieving efficiency gains is part of our everyday work as we try to improve and deliver more community value in the context of finite resources.

This is recognised in our five year vision for the development of the council that was set out in "Moving Us On – Controlling Our Future", approved in June 2003. This vision acknowledged that continuing change is an accepted fact and describes five key drivers for change:

- Our Political priorities.
- Our emphasis on partnership working.
- The transformational prospects of e government and its importance as we bring the new office project to fruition.
- The challenging financial outlook.
- The increasing importance of performance management.

Efficiency gains are achieved through our Integrated Improvement Programme based on our political and organisational priorities. Each year efficiency targets are set out in our Portfolio Plans. Progress on material targets is routinely captured through the performance management system (PACE) and monitored by Cabinet through quarterly performance and financial management reporting. All targets will be subject to a six month update using the ESD toolkit. Cashable gains are a priority as they lead to choice over resource allocation.

Our efficiency targets are realistic and sustainable. In terms of capital we have not included one-off savings arising from routine procurement practice. Although we use standstill budgeting for supplies and services it is not assumed that these will lead to efficiency gains over the longer term.

The political priorities and organisational themes, which will contribute most significantly to meeting our efficiency targets, are as follows:

Political Priorities:

Office Centralisation/Improving Customer Services:

Building a centralised office at Bourne Hill (comprising the restoration of the listed house and a new extension) together with the development of a strong Customer Services Team and supported by a comprehensive customer relationship management system (CRM), will:

- Maximise the efficiency of our assets through the reduction of the number offices required; replacing inefficient offices with

purpose built accommodation; and, where possible, allow joint use of facilities with partners.

- Lead to increased public satisfaction in transactional services whilst reducing the number of staff involved in those transactions.
- Ensure increases in productive time for “back office” staff through business process re-engineering.

The office project is subject to Gateway Reviews to check value for money and benchmark against standard project management methodology.

Since the development of the project plan the potential for delivering further efficiency gains has been recognised through phasing of development of the new extension at the same time as the restoration of the listed building and through the potential scope for letting a single contract to deliver both elements. In addition, the Design Team hold regular value engineering workshops.

Maintaining our Housing Stock

The transfer of our housing stock to a housing association will result in a higher standard of accommodation being provided at the same costs to our tenants. Should the tenants reject the proposed transfer, permanent revenue savings will have to be made from the HRA from 2006/07. The council would strive to achieve as much of this through efficiency savings to reduce the impact on service delivery.

Delivering More Affordable Housing

Our work with Assettrust to deliver large scale affordable housing, the development of a Do It Yourself Shared Ownership (DIYSO) scheme and an improved registered social landlord partnership will deliver more housing units for less direct contributions. Utilisation of Supplementary Planning Guidance and the development of the Local Development Framework are both vital tools for achieving positive outcomes.

Improving Transportation

There is the potential to use City Centre Car Parks more efficiently as commuters transfer to new park and ride sites. As more park and ride sites open there are efficiencies to be gained through the combination of bus routes serving the sites and innovative ways of serving the sites using technology.

Improving Waste Management

The council's revised Waste and Recycling Strategy based on alternating weekly collections of recyclables and household waste aims to achieve recycling targets. The strategy embraces invest to save/improve principles.

Organisational Themes:

Improving the performance of the council

- An increased focus on performance management through the further development of our performance management system, support and development for managers and targeted peer reviews will drive performance improvements.
- Efficiency indicators and quality crosschecks continue to be built into our performance management framework.
- The potential transfer of our housing stock will deliver wider community benefits resulting from the capital receipts generated. This would lead to a more sustainable provision of the landlord function and services to tenants.

Partnership working and community engagement

We are working with our partners through the countywide Customer First Partnership to develop a programme to join up the delivery of a number of services.

Building the capacity of the organisation

Capacity to achieve our ambitions was highlighted as an area for improvement in our CPA assessment. The work we are undertaking to increase our capacity will have a direct bearing in achievement of our efficiency target through:

- Reducing expenditure on Agency Staff through internal arrangements
- Fully exploiting IT systems.
- Improving productive time through sickness management.
- Exploring innovative ways of working such as home working and flexible working patterns.

Meeting the Financial Challenge

- In line with our Medium Term Financial Strategy efficiency gains will be recycled into priority areas, wherever possible.
- We have embraced the principles of the Efficiency Agenda and will actively seek to reduce costs by identifying suitable services where costs could be cut by joint procurement with other bodies.
- New material capital schemes are subject to efficiency targets/measures.
- The council has recently revised its Medium Term Financial Strategy. A key component of this strategy is to allow the use of prudential finance for invest to save schemes on a case-by-case basis.
- The council has set aside £750k of capital receipts as an invest to save initiative in order to internally finance leasing schemes which were previously financed via operating leases.
- Where possible we will develop new business to increase income.
- We will ensure most productive use of assets in line with our Asset Management Plan, which is kept under regular review.

Our value for money score (level 3) in the Annual Use of Resources Assessment built upon high performing services and low council tax base (lower quartile for council tax nationally) shows that we provide value for money. Through this strategy we expect to build on this platform and achieve an "excellent" CPA rating.

(b) **Key Actions to be taken during the Year**

Office Centralisation/Improving Customer Services

- Achieve planning consent for our centralised offices during the summer of 2006 and commence enabling works on site during the winter.
- Extend the integration of CRM with back office systems.
- Implement e-forms and self-service in CRM to develop web-based service delivery so that customers do not need to visit or telephone the council offices.
- Integrate additional 10 customer facing services to our Customer Services Unit to improve seamless service delivery.
- Review and rationalise key publicly accessible offices to broaden range of services available at key locations.
- Develop arrangements for out of hours service provision to customers.
- Develop and publish comprehensive customer satisfaction information.

Maintaining our Housing Stock

- Proceed to the balloting of tenants for the transfer of council houses to a housing association in the autumn.

Improving Transportation

- Open London Road park and ride site.
- Extend charging to Sunday parking.

Improving Waste Management

- Plan for the implementation of wheelie bins and alternate weekly collections.
- Introduce more efficient collection rounds.

Improving Community Safety

- Investigate the more efficient provision of the CCTV service in South Wiltshire, which is currently the subject of a scrutiny review.

Improving the Performance of the Council

- Develop further the Performance Management System to enable monitoring of projects and additional live links from feeder systems.
- Implement and review the new Procurement Strategy.
- Implement outcome of the Facilities Management Review aimed at improved service and reduced cost.

Building Organisational Capacity

- Implement corporate change management strategy.
- Reduce sickness absence levels to maximise productivity.
- Improve HR recording, monitoring and reporting processes and systems to ensure efficiency.
- Progress the 'Innovative Ways of Working' project to enhance work/life balance and reduce expensive office accommodation.
- Review and implement personnel policies eg homeworking policy, to support the achievement of our priorities and themes.
- Review of capacity of Print Unit to supply external organisations to enable reduced running costs.

Partnership Working and Community Engagement

- Implement projects to support Customer First Partnership Shared Services programme aimed at improving quality and reducing costs
- Improve the performance management of LSPs and councillor development in partnership with other local authorities in Wiltshire supported by funding from the ODPM Capacity building Fund.
- Engage local communities in a debate on the most appropriate level of providing and funding local services.

Meeting the Financial Challenge

- Undertake a fundamental review of the method of financing local leisure provisions.
- Establish new management structure for the Leisure Facilities.
- Develop robust plans for efficiency savings with major arts organisation.
- Implement measures contained in the Medium Term Financial Strategy for 2006.
- Review Medium Term Financial Strategy annually to ensure the budget supports priorities.
- Review Asset Management Plan/Capital Strategy annually to ensure our assets are maximised and capital projects support our priorities.
- Develop incentive schemes aimed at increasing productivity or reducing costs.
- Roll out e-procurement.

(c) Expected Efficiency Gains

Non cashable efficiencies	2006/07 £K	Nature of gain	Service Unit
Procurement			
Re-negotiated recruitment advertising contracts with LawtonWare	5	More for the same cost	Personnel, Payroll and Training
Productive Time			
Virtual Contact Centre model to allow call handling to Amesbury and Mere offices	10	More for the same cost	Customer Services
Identify process improvement opportunities for minor planning applications	7.8	More for the same cost	Development Services
Transactions			
Improve council tax collection rate by 0.1% for next 3 years	Collect a further 50 per annum	More for the same cost	Revenues and Benefits
Total non cashable efficiency gains	72.8		

Cashable efficiencies	2006/07 £K	Nature of gain	Service Unit
Culture and Sport			
New Invest to Save/Improve initiatives	16.7	Much more for a little more cost	Community Initiatives
Restructure of the Community Initiatives Unit	40	The same for less cost	Community Initiatives
Environmental Services			
Changes to waste collection	20	The same for less cost	Environmental Services
Reduce administrative costs associated with ESU processes	23	The same for less cost	Environmental Services
Local Transport			
Reduced cost of park and ride sites	100	The same for less cost	Forward Planning and Transportation
Introduction of combined bus routes for Park &	50	More for less cost	Forward Planning and

Ride sites			Transportation
Local Authority Social Housing			
Private Sector lease property surpluses	10	The same for less cost	Strategic Housing Services
Establishment of Do It Yourself Shared Ownership scheme	20	More for less cost	Strategic Housing Services
Supporting People			
Care Connect	20	More for less cost	Strategic Housing Services
Corporate Services			
Internal leasing fund	15	More for less cost	Financial Services
Reduction in postal budget due to more efficient use	2	The same for less cost	Customer Services
Based on CRM Development Officer (part of ongoing role) and completed BPR work, Customer Service Unit to achieve 80% service resolution at first point of contact. This excludes all the additional integration items listed separately above	20	A lot more for a little more cost	Customer Services
Procurement			
Renegotiated maintenance contracts for Print Unit	9	The same for less cost	Democratic Services
Multi-contract advertising	1	The same for less cost	Legal and Property Services
Savings on utilities through employing UCA to conduct an energy audit on gas, water and electricity	67.4	The same for less cost	Housing Management
Re-tender insurance contract	40	The same for less cost	Financial Services
GIS mapping services agreement	20	The same for less cost	Legal and Property Services and ICT Services
Procurement savings on corporate contracts - telephone, gas, photocopiers	30	The same for less cost	Democratic Services
Re-tendering of Schedule of Rates contracts	63.7	The same for less cost	Housing Management
Transfer of website hosting from a commercial ISP to internal	13.8	More for less cost	ICT Services

Extension of the ICT Support Contract with BT Managed Services, NI	14.3	More for less cost	ICT Services
Productive Time			
Increase turnover of Print Unit	7	More for the same cost	Democratic Services
Increase in council tax database of 1% forecast for 2006/07 achieved with no increase in staffing levels	3.8	More for the same cost	Revenues & Benefits
Voluntary registration of title of housing stock by HM Land Registry staff	7.5	The same for less cost	Legal and Property Services
More efficient handling of claims and enquiries relating to Revenues and Benefits	65	The same for less cost	Revenues and Benefits
Create process efficiencies in Land Charges	4.8	The same for less cost	Legal and Property Services
Reduction in the use of agency staff for Revenues & Benefits	14	The same for less cost	Revenues and Benefits
Implementation of electronic purchasing ordering and processing	60	The same for less cost	Financial Services and Democratic Services
Restructure of the Legal & Property unit.	28.5	The same for less cost	Legal and Property Services
Review of Corporate Management structure.	30	The same for less cost	Democratic Services
Integrate parking processes with CRM, improve consistent customer service and seek to decommission legacy systems	7.5	The same for less cost	Forward Planning and Transportation
Restructure of the Marketing, Economic Development and Tourism and Forward Planning and Transportation Service Units.	32	The same for less cost	MEDT and Forward Planning and Transportation
Bringing in-house print jobs previously done externally	18	The same for less cost	Democratic Services
Increase performance on fraud referrals with no increase to the unit's salary establishment	90	More for less cost	Revenues and Benefits
Transactions			
Introduction of payments online	5	The same for less cost	Revenues and Benefits
Efficiency savings resulting from migration to use of electronic Payment methods (BACS) for creditors	5	The same for less cost	Financial Services
Revised provision of Cash Office Service	30	The same for less cost	Revenues and Benefits
Encouraged, increased take-up of Direct Debit payment method for Council Tax and NNDR	7.8	The same for less cost	Revenues and Benefits

Miscellaneous Efficiencies			
Reduction in paperwork through transfer to electronic records	1.5	The same for less cost	Revenues and Benefits
Total cashable efficiency gains	1013.3		

Total by AES Category	2006/07 £K
Culture & Sport	56.7
Culture & Sport ratio cashable : non	100%
Local Transport	150
Local Transport ratio cashable: non	100%
Productive Time	385.9
Productive Time ratio cashable: non	95.38%
Transactions	97.8
Transactions ratio cashable : non	48.87%
Environmental Services	43
Environmental Services ratio cashable : non	100%
LA Social Housing	30
LA Social Housing ratio cashable : non	100%
Supporting People	20
Supporting People ratio cashable : non	100%
Corporate Services	37
Corporate Services ration cashable : non	100%
Procurement	264.2
Procurement ratio cashable : non	98.10%
Miscellaneous Efficiencies	1.5
Miscellaneous Efficiencies ratio cashable : non	100%

Approved:

Cllr Richard Britton, Leader of the Council

Date: 13 April 2006

David Crook, Acting Chief Executive

Date: 13 April 2006