



Report to: Strategic Policy and Resources Committee
Subject: **Efficiency Programme**
Date: 4 November 2011
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1	Relevant Background Information
1.1	Members will be aware that to date the corporate efficiency programme has delivered savings of some £12m across the Council. At the Strategic Policy and Resources Committee on the 15 April 2011, it was agreed that a further indicative efficiency target of £2m per year for 2012-13 and 2013-14. In June 2011 Members agreed the areas where the efficiency savings should be targeted for 2012-13.
1.2	The purpose of this report is to present to Members the cash savings which have been identified and captured and to seek agreement on including them in the departmental budgets as part of the estimate setting for 2012-13.
2	Key Issues
2.1	Members should be aware that the programme has been developed in consultation with all departments and the Trade Union Efficiency Consultative Forum. We have used the same efficiency theme headings as previously agreed by SP&R Committee in May 2010. These cover the areas suggested by the HM Treasury as the fundamental key drivers for developing successful efficiency programmes.
2.2	These themes are: <ul style="list-style-type: none"> • Assets and Land • Procurement • Budgetary Challenge • ICT • Service Reviews • Income Generation
2.3	A total of £2.3m of cash savings have been identified and captured for 2012-13. The proposed split of the £2.38m efficiency target across the efficiency themes is set out in Table One below.

3	Recommendations
3.1	<p>Members are requested to:</p> <ul style="list-style-type: none"> • Note the contents of the report. • Agree that the £2.38m cash savings identified by the efficiency programme for 2012/13 should be captured in the departmental budgets as part of the estimates setting for 2012-13.
4	<p>Decision Tracker Responsible Officers: Director of Finance & Resources and Head of Finance & Performance</p>
5	<p>Documents Attached Appendix 1 – Efficiency programme 2012/13</p>

Appendix One: Summary of the types of projects included under each theme within the proposed 2012/13 Efficiency Programme

Assets and Land

The types of projects under this theme include:

- Energy conservation projects in City Hall, CWB and Duncrue complex
- Cash savings from our fleet in advance of the wider review into Fleet provision across the Council.

Budgetary Challenge

In identifying savings in this area departments were asked to complete a review of their 2010/11 year end position against their 2011-12 budgets to identify scope for further efficiencies.

Savings identified include:

- Reductions in consultancy, agency staff and supplies and services budgets
- Reductions in facility costs, external training budgets, staff travel and utility costs
- Reduction in recruitment advertising
- Reduction in print costs including a reduction in the number of Intercom copies printed

ICT

The types of projects included under the theme are:

- Reduction in the number of printers and colour printing
- Introduction of duplex printing and electronic payslips
- Use of Voice over Internet Protocol (VoIP) to reduce telephony costs
- Reduction in the costs of managing the server estate through server consolidation/ virtualisation
- Savings on postage by using electronic mail
- Reviewing mobile phone contracts and reviewing the need for IT licenses

Income Generation

This theme has seen significant growth from the 2011-12 year as departments have been seeking more innovative ways to maximise their income which in turn will reduce the need for budget reductions.

The types of projects include:

- Additional revenue from installing advertising hoardings on council owned sites
- Managing vacancy advertising on behalf of the NI local government sector
- Selling council professional services such as Legal Services to other organisations
- Additional revenue from the Council's materials recovery facility (MRF)
- Additional Port Health income through increased import inspections
- Introduction of legislation allowing local authorities to retain revenue from fixed penalty notices for dog enforcement.
- Undertaking rent reviews
- Introduction of room hire charges for City Hall functions

Procurement

The Procurement Unit worked closely with departments to review a number of procurement tenders which resulted in lower unit costs and increased income streams across many of these tender areas which include:

- Corporate water contract
- Stationery & IT
- Corporate cleaning materials
- Toilet hygiene
- Fire safety testing & equipment
- Key holding
- Cash Collection
- Manned Security
- Cleaning provision at Malone House and Belfast Castle

Additional efficiencies were identified through the following procurement exercises:

- Tendering of the council's bank services provision
- More effective procurement of uniforms for Parks & Leisure frontline staff

Service Reviews

Under this theme there has been a wide range of projects identified which will lead to more efficient use of resources and better staff utilisation. These include:

- Roll out of inner city food waste collection and change to black bin collections.
- Providing future schools education through existing Waste Management resources.
- Review of Projects and Corporate Systems
- Review of Property Maintenance provision
- Property & Projects Business Support review
- Replacement of the cremators at Roselawn
- Review of Parks & Leisure marketing and communications to remove duplication and enable more effective planning
- Review of operating practices within Parks & Leisure
- Processing improvements within CTU