

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Environment Overview and Scrutiny Committee

**Date of Committee** 8 November 2007

**Report Title** 2007/8 Efficiency Savings – Environment and Economy Directorate Progress Report

**Summary** This report outlines the progress the Environment and Economy Directorate has made to date in delivering the required efficiency savings in 2007/8 required as part of the 2007/8 budget.

**For further information please contact** Liz Firmstone  
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**Would the recommended decision be contrary to the Budget and Policy Framework?** Yes/No

**Background Papers** 2007/8 Budget Resolution.

**CONSULTATION ALREADY UNDERTAKEN:-** *Details to be specified*

- Other Committees  .....
- Local Member(s)  .....  
(With brief comments, if appropriate)
- Other Elected Members  Councillor J Appleton  
Councillor K Browne } for information  
Councillor Mrs E Goode }
- Cabinet Member  Councillor M Heatley – for information  
(Reports to The Cabinet, to be cleared with appropriate Cabinet Member)
- Chief Executive  .....
- Legal  I Marriott

- Finance  M Furness - agreed
- Other Chief Officers  .....
- District Councils  .....
- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  .....

**FINAL DECISION**                      **YES/NO**      *(If 'No' complete Suggested Next Steps)*

**SUGGESTED NEXT STEPS :**

*Details to be specified*

- Further consideration by this Committee  .....
- To Council  .....
- To Cabinet  .....
- To an O & S Committee  .....
- To an Area Committee  .....
- Further Consultation  .....

**Environment Overview and Scrutiny Committee  
8 November 2007**

**2007/8 Efficiency Savings – Environment and Economy  
Directorate Progress Report**

**Report of the Strategic Director for  
Environment and Economy**

**Recommendation**

The Committee is asked to note the progress made by the Environment and Economy Directorate in delivering the 2007/8 efficiency savings target.

**1. Introduction**

- 1.1 As part of the 2007/8 Budget Resolution all Directorates (excluding schools) were required to identify 2.5% savings, wherever feasible from improvements in efficiency, with the exception of Adult, Health and Community Services and Community Protection. Adult, Health and Community Services were expected to deliver savings of £287,000 (2.5% in respect of Libraries, Heritage and Trading Standards), whilst Community Protection were not asked to deliver any savings. Directorates were required to return all of these savings to the centre. This report provides this information for the Environment and Economy Directorate showing progress against the target.
- 1.2 In addition all Directorates were set a combined target of achieving £700,000 savings to reduce the Council's impact on the environment, including the reduction of the use of paper, publications etc.

**2. Directorate Savings Target**

- 2.1 The 2007/8 cashable savings target for the Environment and Economy Directorate is £922,000. In addition the Directorate is expected to achieve £177,000 savings through reducing their environmental impact, giving a total savings target of £1,099,000.
- 2.2 As part of the Council's 2007/8 Forward Looking Annual Efficiency Statement submitted to the Government the Environment and Economy Directorate forecast they could achieve £494,000 cashable and no non-cashable efficiency gains without any loss of service quality currently provided. This £494,000 forms part of the total savings target of £1,099,000.

### 3. Progress to Date

- 3.1 To date the Directorate has identified £498,000 cashable and £13,000 non-cashable savings that it is forecast will be achieved by the end of the financial year. A summary of the savings identified is shown in Table 1 with further detail in **Appendix A**.

<b>Table 1: Savings Identified to Date</b>	<b>Cash Savings £000</b>	<b>Non-Cash Savings £000</b>	<b>Total £000</b>
County Highways	300	0	300
District Planning services brought in-house	47	0	47
Staffing restructure	141	0	141
Land searches	10	13	23
<b>Total Identified to date</b>	<b>498</b>	<b>13</b>	<b>511</b>
Savings still to be identified			
Cash Savings	<b>424</b>	<b>0</b>	<b>424</b>
Environmental savings	<b>177</b>	<b>0</b>	<b>177</b>
<b>Total</b>	<b>1,099</b>	<b>13</b>	<b>1,112</b>

- 3.2 A cashable efficiency saving of £300,000 was identified on the Highway Maintenance contract with Carillion. This efficiency saving cannot now be delivered with no loss of service. This is because the cost of materials have risen more than predicted, and the adverse weather during the summer has increased costs. Savings will still be delivered but only through reductions in other services, primarily bridges maintenance.
- 3.3 The £300,000 cashable savings from County Highways can only be delivered as a result of reductions in service and therefore cannot be included in the Annual Efficiency Statement.
- 3.4 Of the savings identified to date, £198,000 of the cashable and £13,000 of the non-cashable relate to efficiency gains that have resulted in no loss of service. However, savings made between public sector bodies and additional income are not eligible as Gershon savings. Therefore, £141,000 of the cashable and £13,000 of the non-cashable savings can be included in the Council's Annual Efficiency Statement.
- 3.5 The £47,000 cashable savings from District planning services cannot be included in the Annual Efficiency Statement because bringing the work in-house to Warwickshire County Council has resulted in a loss of income to Rugby and Nuneaton and Bedworth Borough Councils, and there has been no identifiable saving across authorities.
- 3.6 The Directorate has still to identify £601,000 of cashable savings, including £177,000 of environmental savings required by the 2007/8 budget resolution. The Directorate must also identify £353,000 cashable efficiency gains resulting in no loss of service if it is to meet the forecast efficiency gains included in the

2007/8 Forward Looking Annual Efficiency Statement. The Directorate will continue to work to achieve the necessary savings by the end of the financial year. The Directorate will endeavour to ensure the savings are identified and this will be a key item at the forthcoming Leadership Team away-day. Leadership Team will continue to monitor progress by reviewing progress and taking necessary decisions at subsequent monthly Leadership Team meetings.

3.7 The Directorate has identified a number of areas where sustainable environmental savings can be made. However, these will not be delivered until 2008/9. Examples include:-

- (i) Introduction of multi-functional devices ( a combined copier ,printer and scanner) reducing the number of colour printers and other local devices.
- (ii) Improving web-based bus timetable information and reducing printing of timetables.
- (iii) Issuing key documents electronically or on CD (e.g. Local Transport Plan.
- (iv) Issuing tender documents electronically or on CD.

JOHN DEEGAN  
Strategic Director for Environment and Economy  
Shire Hall  
Warwick

25 October 2007

**Environment Overview and Scrutiny Committee  
8 November 2007**

**2007/8 Efficiency Savings – Environment and Economy  
Directorate Progress Report**

<b>General Savings Identified to Date</b>	<b>Cash £000</b>	<b>Non-Cash £000</b>	<b>Total £000</b>
County Highways – Highway and Bridge Maintenance – reduction in expenditure.	300	0	300
District Planning Services brought in-house.	47	0	47
Staffing restructuring by merging groups.	141	0	141
Land Searches – more efficient use of staff time in the provision of information.	10	13	23
<b>Total Identified to date</b>	<b>498</b>	<b>13</b>	<b>511</b>
Savings still to be identified			
General Savings	424	0	424
Environmental Savings	177	0	177
<b>Total</b>	<b>1,099</b>	<b>13</b>	<b>1,112</b>