

AES – Forward Look 2007/08

The 2007/08 AES builds on progress already made by the council in delivering efficiencies in past years. It has also been prepared in the context of the council's overall Efficiency Strategy.

The council's 2006-2010 Corporate Strategy sets out the role that efficiency plays in securing resources to deliver priorities within it. It states:

"The corporate efficiency agenda will focus on those changes that could yield the most significant savings – particularly:

1. *reviewing support services, including identifying the potential for achieving efficiencies by sharing services*
2. *reviewing major service areas including customer service provision, adult day care and libraries to identify changes which would improve services whilst reducing cost*
3. *using IT to deliver process efficiencies e.g. remote working*
4. *delivering improved commissioning arrangements in adult social care*
5. *maximising savings from better procurement'*

Following production of the Corporate Strategy, the council has produced a new Efficiency Strategy, tied into the Corporate Strategy and the council's Medium Term Financial Strategy (MTFS).

The council's commitment to this programme is reflected in the inclusion of a number of innovative invest to save schemes in the 2007/08 budget. These include investment in preventative children's care services, customer service changes reflecting changes in the way residents access the council, a modern information technology infrastructure, and an HR transactions centre (the People Centre). Other invest to save initiatives are being considered for adult services, libraries and financial transactions. These proposals are all subject to rigorous examination using the RSE-Brent Return on Investment tool and services are required to pay back investment from savings over a specified period.

The council has also taken a leading role with other west London authorities through the West London Alliance to develop shared services, with the focus on adults' and children's care, regulatory services and human resource functions.

The Efficiency Strategy covers more than one year and reflects what the council anticipates will be delivered during the period of the current administration which runs until 2010.

Key actions to be taken during 2007-08

The savings for 2007/08 included within this Annual Efficiency Statement are principally the result of work carried out under the existing efficiency programme and the council's budget process. The efficiencies include:

- corporate support services: a revised approach to the council's insurance arrangements, revamping of the arrangements for cash payments including closure of the cashiers' service, transfer of benefits payments from cheque payments to BACS, reduced cost of IT procurement, and implementation of new HR support arrangements;
- housing and community care: review of placements in learning disabilities leading to more in-borough placements, tendering of the equipment and meals on wheels service, a reconfiguration of the adults' service with increased focus on client choice through direct payments, and implementation of the first stage of the customer contact review;
- environment and culture: management restructurings in regulatory services, amalgamation of the town centres' wardens service with Metropolitan Police Safer Neighbourhood Teams, and reviews of support requirements;
- children and families: review of support services following amalgamation of children's social care and education support functions in a single directorate and measures to reduce cost of children in care.

The savings reported in this statement are a prudent estimate. No allowance has been made for non-cashable savings arising, for example, from reduced sick leave. These and other items will be reflected in the mid-year monitoring and final outturn statements for 2007/08.

The council has a stretch efficiency target based on the Gershon efficiency target for 2005/06 to 2007/08 as part of the Local Area Agreement. This requires cumulative efficiency savings by 31st March 2008 of £22.6m (at least 50% of which must be cashable) compared to an original Gershon target of £20.6m. The council is on target to achieve this.

Unit	Description	Cashable	Non-cashable	Total
		£'000	£'000	£'000
Adult Social Services				
Learning disabilities	bringing four expensive client back in-house	342		342
Mental Health	Return 5 clients from residential out of borough care, to supported living within the borough	306		306
Older People	meals on wheels - externalise food provision	169		169
Physical Disabilities	change way in which hot meals are provided from in-house to meals on wheels contract	11		11
Physical Disabilities	Increased take-up of direct payments	38		38
Physical Disabilities	return clients in-borough	89		89
Physical Disabilities	Externalisation of stores	184		184
All client groups	Reconfiguration of service - This is a target saving to be achieved from the first phase of planned reconfiguration of the service.	1,000		1,000
HCC finance	Improve efficiency in invoice processing by removing duplicated post	33		33
HCC training and development	reduce use of external trainers/consultants, increase in-house provision	31		31
ASS Total		2,203		2,203
Children's services				
Children and Families	Review of support services	150		150
Children and Families	children leaving care at 18 getting housing benefit instead of support from the council	106		106
CS Total		256		256
Culture and Sport				
ITU	Taking over schools libraries IT from external provider	46		46
C&S Total		46		46
Environmental services				
Regulatory services	management changes to achieve efficiencies	250		250
Parks	Reduction in one support service post.	25		25
Building Control	Reduction of administrative support and the deletion of post presently filled by an agency inspector.	55		55
Directorate	Deletion of vacant service improvement post	45		45
Directorate	Proposed transfer of wardens' service to safer neighbourhood team will lead to management saving.	25		25

Unit	Description	Cashable	Non-cashable	Total
Environmental Health	Reduce the Food Safety management team by one post redistributing the managerial workload to the two other managers.	50		50
Planning Service	Delete of a Land Charges post	30		30
Trading Standards	Loss of 1 Senior Trading Standards Enforcement Officer	53		53
Transport	parking- savings in IT contract	50		50
Env Total		583		583
Local transport (highways)				
Highways	Pegging contract increases to RPI not Roadcon index	300		300
Local Transport Total		300		300
Local transport (Non-highways)				
Transportation	improved working methods and processes	80		80
Parking	Improved management of parking account	100		100
Local Transport Total		180		180
LA Social housing (capex)				
BHP	Reduced consultants fees	180		180
LA Social Housing Total		180		180
LA Social housing (other)				
Private Housing	Migration from Epicor to Housing Oracle - savings in licence fees and systems support	4		4
South Kilburn Housing Project	Efficiency savings	12		12
HRA	more efficiency and effective administration of bed and breakfast budget	50		50
HRA	Efficiency review - reducing duplication between the council and the ALMO	150		150
House Total		216		216
Non-school related educational services				
Brent Education Tuition Service	Re-organisation of teaching groups to create more cost effective provision	50		50
Non-Sch Total		50		50
Supporting people				
Supporting people	Efficiency savings through contract reviews and containing costs within a cash limited budget	339	362	701
Supporting People		339	362	701

Unit	Description	Cashable	Non-cashable	Total
Total				
Homelessness				
Housing Resource centre	Reduction in expenditure on temporary accommodation through effective front line homelessness work	239	0	239
Homelessness Total		239	0	239
Corporate services				
Chief Executive's Office	Savings from meetings and various corporate projects	15		15
Communications and Consultation	Reduced recruitment budget through better staff retention	5		5
Communications and Consultation	Increased advertising income	40		40
Communications and Consultation	No inflation on members allowances	17		17
Finance and Corp resources	Reduction in audit fees due to better accounts	25		25
Corp Total		102		102
Procurement - goods and services				
ITU	Mobile phone contract	50		50
ITU	Reduced cost of PC procurement (100 central item + 50 ITU budget)	150		150
ITU	Reduced cost of software licences	10		10
ITU	new e-mail system - reduced licence fees	100		100
ITU	convergence of voice and data lines	25		25
ITU	Expansion of ACD across telephone system	25		25
Legal & Democratic	Accommodation savings by better use of town hall basement	11		11
Payroll	Better procurement - savings on new payroll contract	102		102
Procurement	insurance savings due to London mutual (120 central item +80 efficiency)	200		200
Procurement	self-funding 3 posts through fees and charges and contract savings as a result of improved processes	140		140
Revenue and benefits	Replace agency staff with trainees	89		89
Procurement Total		902		902
Productive time				
Human Resources	HR transformation	264		264
Legal & Democratic	Process re-engineering, reduced secretarial hours	13		13
Legal & Democratic	Redistributing work of housing lawyer currently covered by locum, to other staff	57		57
PRU	As a result of Excellent CPA rating, fewer inspection costs etc	30		30

Unit	Description	Cashable	Non-cashable	Total
PRU	Because of 3* rating less inspection and lower audit fees	5		5
Revenue and benefits	reduction of HB subsidy loss / increased overpayment recovery levels	60		60
Revs and Bens	Transfer some work offshore	40		40
Finance	Deletion of 2 posts in accountancy - these posts are currently vacant and will need to be covered by reviewing processes in the section.	70		70
Productive Total		539		539
Transactions				
Customer Services	rationalisation of customer services	68		68
Finance	Closure of the counter service for cashiers at the Town Hall. This reflects reduced volumes of activity as a result of people increasingly using non-cash forms of payment and availability of other payment facilities such as PayPoint.	130		130
Revenue and benefits	Transfer HB payments from cheques to BACS	25		25
Revs and Bens	Changing to 10 DD payments a year for council tax	150		150
Trans Total		373		373
Misc				
Grand Total		6,508	362	6,870