

Environment

Cashable efficiency improvements 2009/10 to 2012/13

	2009/10	2010/11	2011/12	2012/13
	£'000	£'000	£'000	£'000
a) Cashable efficiency improvements producing a budget saving and meeting the Government's definition of efficiency:				
<u>2009/10 budget proposals:</u>				
Savings to offset cost of salary increments	224	-	-	-
IT - various efficiencies to absorb service pressures	171	-	-	-
Office services - planned cost recovery of surplus office furniture	76	-	-	-
Furniture, fixtures and fittings - other savings	25	-	-	-
Leachate treatment efficiency saving	5	-	-	-
Term highways contract - future programme of initiatives to improve efficiency under the contract	50	-	-	-
Highway management - staff savings arising from management reviews	275	-	-	-
Support services - planned savings from review of administrative services	188	-	-	-
Support services - other staff savings in office support services	31	-	-	-
Strategy & Information - staff saving arising from management review	85	-	-	-
Non staff overheads - various efficiency savings	60	-	-	-
Abandoned vehicles - reduced budget requirement	100	-	-	-
Safer Roads Partnership - efficiency savings resulting in reduced County Council contribution	785	-	-	-
Waste management - price reduction from contract re-negotiation	2,146	-	-	-
<u>2010/11 - 2012/13 budget proposals:</u>				
Savings to offset cost of salary increments	-	558	499	337
Term highways contract - further programme of efficiency savings	-	100	-	-
Bridges - savings in pump and environmental maintenance	-	22	-	-
Bridges structural maintenance - rationalising principal inspections and preliminary scheme design	-	127	-	-
Safer Roads Partnership - efficiency savings resulting in reduced County Council contribution	-	66	-	-
Household Waste Recycling Centres - transfer from waste disposal contract to new HWRC contract	-	96	-	-
	<u>4,221</u>	<u>969</u>	<u>499</u>	<u>337</u>

2009/10	2010/11	2011/12	2012/13
£'000	£'000	£'000	£'000

b) Cashable efficiency improvements producing a budget saving but not meeting the Government's definition of efficiency:

2009/10 budget proposals:

Public transport - savings to offset higher expenditure from tendering and other cost pressures	272	-	-	-
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2010/11 budget proposals:

Public transport - savings to offset higher expenditure from tendering and other cost pressures	-	495	347	343
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	<u>272</u>	<u>495</u>	<u>347</u>	<u>343</u>
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c) Cashable efficiency improvements not producing a budget saving:

Developers' contributions - avoidance of capital borrowing	262	221	262	68
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Street lighting energy - cost increases avoided from new three-year contract	473	-	-	-
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Waste management - future costs avoided from contract re-negotiation	1,100	-	-	-
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Street lighting PFI - future energy cost savings	-	633	-	-
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	<u>1,835</u>	<u>854</u>	<u>262</u>	<u>68</u>
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Total cashable efficiency improvements	6,328	2,318	1,108	748
% of base budget	5.5	2.0	1.0	0.7

Notes

Cashable efficiency improvements occur when:

- inputs (money, people, assets etc) are reduced but outputs remain unchanged
- the price of inputs (procurement, labour costs etc) are reduced but outputs remain unchanged.

a) Cashable efficiency improvements producing budget savings and meeting the Government's definition of efficiency include general procurement savings against the budget provision of a 2.25% increase in prices.

b) Cashable efficiency improvements producing budget savings but not meeting the Government's definition of efficiency include introducing new charges for services and fortuitous savings.

c) Cashable efficiency improvements not producing budget savings arise because the efficiency is avoiding unbudgeted cost e.g. staff reductions made to absorb increments, procurement efficiencies where costs are still exceeding 2.25%, capital receipts or developer contributions applied to avoid unplanned additional borrowing.