

CONFIRMATION OF EFFICIENCIES DELIVERED IN 2017-18

1	Local Authority Name	Moray Council
2	Total cash efficiency achieved for 2017-18	£'000 5,559
3	<p>Summary of efficiency activity</p> <p><u>Procurement</u> Procurement savings are monitored closely and reported to committee. Cash savings and non-cash savings from local and national contracts totalling £1,258,000 are included.</p> <p><u>Asset Management and Energy Efficiency</u> The council has well-established procedures for disposing of surplus assets and generated capital receipts of £454,000 in 2017/18. There was a reduction in capital spend on digital services (servers, etc.) through operational efficiency of £173,000</p> <p>The council undertakes energy efficiency projects and has an Energy Strategy which aims for a year-on-year reduction in energy consumption. The impact of this strategy is reported annually and the savings included in the Efficiency Statement are based on the preliminary reports from the Energy section.</p> <p>Carbon emissions have been reduced, generating a saving in Carbon Reduction Commitment allowances of £18,000. In addition to this, energy efficiency measures at a variety of buildings generated cash savings of £20,000 and the introduction of LED street lighting achieved £115,000 of cash savings; this five year programme is now in its fourth year. Renewable Heat Incentive payments of £103,000 were received in 2017/8 as a result of introducing biomass heating systems. A further £15,000 efficiency arose from reductions in handling charges for electricity payments.</p> <p>In total, £898,000 efficiencies from asset management and energy efficiency are included in 2017/18.</p> <p><u>Service Transformation</u> The council's Transformation Programme (Designing Better Services) completed its work programme and no further savings were obtained in 2017 / 18. The final transfer of remaining Council services onto Sharepoint is a legacy programme from Designing Better Services and is nearing completion.</p> <p>The council's Digital Services programme is ongoing and increased use of the Council's website has been recorded, with areas of note being enquiries from housing applicants, rent balance enquiries from Council tenants and payments for secondary school meals. It is expected that this program will drive savings which once ratified will be included in future statements</p> <p>In total there were no savings recorded from service transformation in 2017/18 although progress in this area is ongoing..</p> <p><u>Uptake of services</u> A small increase in occupancy rates for industrial estates of 94.40% from 94.12% in 2016/17 drew a marginal cash value of £5,000. The number of library visits has increased, however, the unit cost per library visit, as measured by SOLAR benchmarking, remained constant, resulting in no efficiency gains this year. There were decreases in uptake in sports and leisure and also in school catering, all of which resulted in no efficiency gains for 2017 / 18</p>	

In total, £5,000 efficiencies from targeted uptake of services are included in 2017/18.

Improved Performance

Much improved performance as shown by Performance Indicators reported to service committees cannot be quantified, and there will be areas of improved performance not captured by PIs. However, where there is information to quantify performance this has been included:

- There has been a reduction in the amount of residual waste put to landfill and a consequent reduction in landfill tax paid of £26,000
- There has been an decrease in housing benefit overpayment % due to Local Authority error (from 1% to 0.15%) - £141,000 efficiency
- An improvement in % of HRA rent collected and a reduction in HRA rent arrears – an efficiency of £91,000
- An increase in productive days achieved as per the audit plan and reduced cost per audit day - £91,000 efficiency
- Improved performance of pool cars generated an efficiency of £84,000.
- The unit cost of maintaining the council's fleet of vehicles decreased and the availability marginally increased (97.50% from 97.16%) – an efficiency of £6,000.
- The unit cost of collecting Council Tax and the unit cost of collecting Non Domestic Rates has reduced but the in-year collection rate improved – a total efficiency of £270,000
- A reduction in the number of registered births, deaths and marriages, but a larger reduction in costs resulting in reduced cost per registration - £35,000 efficiency
- Reduction in payroll unit cost weighted for accuracy - £12,000
- The unit cost of the weighted caseload of administering benefits has reduced generating efficiencies of £18,000

In total, £776,000 efficiencies from improve performance are included for 2017/18.

Other

Other efficiencies arise from restructuring and a variety of service improvements:

- Service restructures - £270,000
- The introduction of e-invoicing and electronic comms for Accounts Receivable and Accounts Payable and Direct Payments taken in house - £22,000
- Winter maintenance review - £58,000
- Transition to a Scottish Wide Area Network - £355,000
- Use of electronic contracts of employment - £2,000
- Health & Social Care Respite and Commissioning reviews - £500,000
- Revised charging methodology for photocopier usage - £39,000
- Revised charging policy for homeless accommodation - £79,000
- Centralised recruitment processes - £58,000
- Increased use of e-training - £199,000
- Additional income from rental units - £47,000
- IDOX Contract improvement - £20,000
- Shift in the balance of care from permanent to domiciliary - £73,000
- Greater use of out-sourced domiciliary care - £851,000
- Increase advertising on council assets - £50,000

In total, £2,622,000 efficiencies from other service improvements are included in 2016/17.

Shared Services

The Council seeks opportunities to share services with other public sector bodies. Initiatives in this area include:

	<ul style="list-style-type: none"> Integrated management arrangements with the NHS for some Health and Social Care services and shared buildings where this enhances service delivery - this initiative is long-standing and pre-dates the current integration of health and social care; Building maintenance for Police Scotland; Shared service with the Passport Office; English as a Second Language – service delivered on behalf of Moray College; Scotland Wide Area Network (SWAN) – a collaborative programme delivering broadband services; The Council delivered the replacement Elgin High School through Hubco, as part of a schools building programme involving five other local authorities and is delivering the replacement Lossiemouth High School through Hubco as part of a programme involving two other local authorities The Council's public analyst service is provided by Aberdeen City Council and part of the archivist service is provided by Aberdeen City Council. The Council is exploring the development of an Energy-from-Waste plant in partnership with Aberdeen City and Aberdeenshire Council. The Council is a member of Scotland Excel and benefits from national initiatives such as SEEMIS and My Job Scotland. 	
4	Breakdown of efficiency saving by Procurement, Shared Services or Asset Management	<p style="text-align: right;">£'000</p> <p>Procurement =1,258</p> <hr/> <p>Shared Services = 0</p> <hr/> <p>Asset Management = 898</p>
5	<p>Evidence:</p> <p>A variety of measures are used to ensure that reported efficiencies are achieved without detriment to service delivery. These include statutory and local performance indicators, customer surveys and post-implementation project reviews.</p> <p>Asset Management and energy efficiency measures do not detract from service delivery and in the case of some energy efficiency measures enhance service delivery, by means of improved lighting levels for example. 16% of the total efficiency in 2017/18 arises from asset management and energy efficiency.</p> <p>23% of the efficiency arises from on-going improvements in procurement and contract management.</p> <p>The performance of all services across the council is reported to service committees and scrutinised by Audit and Scrutiny Committee. No reduction in service has been reported for any of the areas included in the Efficiency Statement for 2017/18. 14% of the efficiency arises from services delivered at less cost with service levels maintained or improved.</p> <p>None of the other efficiencies reported are considered to have resulted in detriment to service delivery.</p>	

Signed (Chief Executive or equivalent)

Signed (if applicable)..... (Council Leader or equivalent)

Date