

**MANAGEMENT/OPERATIONAL SAVINGS FOR 2018-19**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report provides Members with information on management/operational savings that have been identified between 2018-19 and 2020-21. The savings total £0.620m in 2018-19 rising to £1.245m by 2020-21. The savings have no policy implications and will not result in any redundancies, however, it cannot be assumed that all management/operational savings will not have a service impact.

**2. RECOMMENDATIONS**

- 2.1 Members are recommended to review and endorse the management/operational savings identified and note that officers will proceed to implement these savings as part of normal business.

**3. DETAIL**

- 3.1 The Council at its budget meeting on 23 February 2017, approved a one year budget for 2017-18 and approved indicative budgets for 2018-19 and 2019-20. The indicative budgets noted savings were required amounting to £3.559m in 2018-19 rising to £9.330m in 2019-20.
- 3.2 The latest budget outlook report outlines that the estimated mid-range funding gap over the three year period 2018-19 to 2020-21 is £20.286m. The estimated mid-range gap for 2018-19 is £3.908m.
- 3.3 In view of future savings requirements, a Transformation Board was established to oversee all the Council's transformational opportunities. The Board is chaired by the Executive Director of Customer Services and membership consists of a number of Senior Managers across the Council as well as Trade Union representation.
- 3.4 A significant area of work for the Board over the short to medium term is to challenge services to deliver savings. Phase 1 is for front line services to consider savings via four operating principles: business cost reduction, income maximisation, service re-design and self-funding. Each service was given a savings target taking into consideration savings already delivered via service choices.
- 3.5 Officers have been working on identifying savings for their service to match the minimum target set by the Transformation Board. The aim was for the savings options to be transformational in nature.

- 3.6 Some of the savings options identified have no policy implications, will not result in voluntary or compulsory redundancy and are in effect management/operational savings that management will go ahead and implement as part of normal business. It should be noted that it cannot be assumed that the management/operational savings will not have an impact on service delivery.
- 3.7 A summary of the savings identified are noted in the table below with further detail contained within Appendix 1.

Service	2018-19 £000	2019-20 £000	2020-21 £000
DIS Directorate	138	138	138
Planning and Regulatory Services	261	335	519
Economic Development	78	160	198
Facility Services	10	44	54
Cross Departmental/Service	133	242	336
<b>Total</b>	<b>620</b>	<b>919</b>	<b>1,245</b>

- 3.8 There will be a reduction of 6.3FTE in 2018-19 and a further 1.7FTE in 2019-20 through deletion of vacant posts/vacant hours.

#### **4. CONCLUSION**

- 4.1 Management/operational savings have been identified that total £0.620m in 2018-19 rising to £1.245m by 2020-21. Officers will proceed to implement these savings as part of normal business.

#### **5. IMPLICATIONS**

- 5.1 Policy – None.
- 5.2 Financial - Savings options identified will reduce the budget gap for 2018-19.
- 5.3 Legal - None identified at this stage.
- 5.4 HR - HR implications have been identified for each saving option.
- 5.5 Equalities - Risks in relation to equalities have been identified where appropriate, however, EQIAs will be carried out as required.
- 5.6 Risk - Risks have been identified for each saving option.
- 5.7 Customer Service - Impact on service delivery has been identified for each saving option.

**Kirsty Flanagan, Head of Strategic Finance**  
**5 October 2017**

**Councillor Gary Mulvaney – Policy Lead for Strategic Finance and Capital Regeneration Projects**

Appendix 1 – List of Management/Operational Savings 2018-19 to 2020-21

MANAGEMENT/OPERATIONAL SAVINGS

APPENDIX 1

Ref	Service	Service Package	Saving Description	Proposed Savings					
				2018-19 £000	FTE	2019-20 £000	FTE	2020-21 £000	FTE
TB01-2	DIS Directorate	DIS Central Support and Administration	Move to fully embedded back office support delivered through customer service centre and other corporate services and avoid duplication of effort by closer integration with corporate resources.	138.0	3.0	138.0	3.0	138.0	3.0
TB02	Planning and Regulatory Services	Private Landlord Registration	Increasing budgeted income through targeted enforcement to identify unregistered landlords - reflective of current income levels being achieved	36.0	0.0	36.0	0.0	36.0	0.0
TB03-2	Planning and Regulatory Services	Environmental Health and Animal Health	Reduction in sampling and analytical work	15.0	0.0	15.0	0.0	15.0	0.0
TB03-5	Planning and Regulatory Services	Environmental Health and Animal Health	Enhanced enforcement of houses in multiple occupation	5.0	0.0	5.0	0.0	5.0	0.0
TB04-1	Planning and Regulatory Services	Regulatory Services	Removal of temporary trading standards posts	35.5	1.0	35.5	1.0	35.5	1.0
TB04-3	Planning and Regulatory Services	Regulatory Services	Integration of e-cigarette enforcement into operational team	21.0	0.5	36.0	1.0	36.0	1.0
TB04-6	Planning and Regulatory Services	Regulatory Services	Efficiency Savings	18.0	0.0	33.7	0.0	49.7	0.0
TB04-7	Planning and Regulatory Services	Regulatory Services	Regulatory Services IDOX contract saving through capitalisation agreement	14.0	0.0	14.0	0.0	14.0	0.0
TB05	Planning and Regulatory Services	Building Standards	Through commercialisation, marketing the building standard as a service of excellence	43.0	0.0	86.0	0.0	129.0	0.0
TB06-3	Planning and Regulatory Services	Planning/Other Planning Services	Rationalisation/Reduction of CVT Service Delivery Arrangements	41.0	1.0	41.0	1.0	41.0	1.0
TB06-6	Planning and Regulatory Services	Planning/Other Planning Services	Rationalisation/Service Reduction of Enforcement Service Delivery Arrangements	33.0	0.8	33.0	0.8	33.0	0.8
TB06-8	Planning and Regulatory Services	Planning/Other Planning Services	Projected increase Development Management statutory Planning Fee income (subject to fee regulations)	0.0	0.0	0.0	0.0	125.0	0.0
TB16-1	Economic Development	Economic Development	Strategic Transportation - Cycle Counters	4.0	0.0	4.0	0.0	4.0	0.0
TB16-2	Economic Development	Economic Development	Strategic Transportation - Reduce contractor budget	8.0	0.0	16.0	0.0	24.0	0.0
TB16-4	Economic Development	Economic Development	Strategic Transportation - Secure external grant funding to offset Strategic Transportation Staff Costs	30.0	0.0	60.0	0.0	90.0	0.0
TB16-9	Economic Development	Economic Development	Economic Growth - Buisness Gateway, premises saving in Lochgilphead and Oban	0.0	0.0	20.0	0.0	20.0	0.0
TB16-13	Economic Development	Economic Development	Projects and Regeneration - Reduction of Social Enterprise budget with a focus on supplies and services	6.0	0.0	6.0	0.0	6.0	0.0

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				2018-19 £000	FTE	2019-20 £000	FTE	2020-21 £000	FTE
TB16-16	Economic Development	Economic Development	Projects and Regeneration - Proactive management of small users sites to increase income	30.0	0.0	40.0	0.0	40.0	0.0
TB16-18	Economic Development	Economic Development	EDST Management budget - realise savings through reduction in EDST management budget	0.0	0.0	14.0	0.0	14.0	0.0
TB17-5	Facility Services	Property Services	Review structure of the admin and support team as a result of increased automation of property cost billing	0.0	0.0	24.0	1.2	24.0	1.2
TB17-6	Facility Services	Property Services	Review option to increase the efficiency of the Utilities Fund	10.0	0.0	20.0	0.0	30.0	0.0
TB19-2	Cross Departmental	Transport	Relocate pool car administration and increase the use of pool car	46.0	0.0	70.0	0.0	94.0	0.0
TB19-3	Cross Departmental	Transport	Develop opportunities for the deployment and use of multi-functional vehicles	17.0	0.0	27.0	0.0	37.0	0.0
TB19-4	Cross Departmental	Transport	Increase third party work through fleet management workshops	25.0	0.0	45.0	0.0	55.0	0.0
TB19-5	Cross Departmental	Transport	Pursue options of other CPP and other bodies accessing ABC bulk fuel stocks	5.0	0.0	10.0	0.0	15.0	0.0
TB19-7	Cross Departmental	Transport	Improve management of internal fleet to reduce external hires	25.0	0.0	75.0	0.0	120.0	0.0
TB19-9	Cross Departmental	Transport	Rationalise the deployment of vehicle tracking	5.0	0.0	5.0	0.0	5.0	0.0
TB21-2	Cross Departmental	Design and Project Management Team	Better collaboration and smarter working between the Property Design, Roads Design and Economic Development Project Teams	10.0	0.0	10.0	0.0	10.0	0.0
<b>TOTAL SAVINGS IDENTIFIED</b>				<b>620.5</b>	<b>6.3</b>	<b>919.2</b>	<b>8.0</b>	<b>1,245.2</b>	<b>8.0</b>