



# **ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL**

## ***Panel Report***

**Public\***

**Date of Meeting:** 2nd December 2010

**Title:** LOCAL ENVIRONMENT TRANSFORMATION SAVINGS UPDATE

**Report of:** The Assistant Director (Local Environment)

**Report reference:** CS 30/10

**Summary:**

The report updates members on the transformation savings so far delivered or proposed in Local Environment as part of the Transformation Programme. This includes staff structure changes.

**Questions for / input required from Scrutiny:**

This report is for information and comment.

**Recommendations:**

That members note and comment upon the transformation changes and savings made thus far.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. Context**

The City Council's Transformation Programme was originally required to deliver recurring revenue savings of approximately £3m over the three financial years 2009/10, 2010/11 and 2011/12. In addition the implications of the recently announced Comprehensive Spending Review is a further saving requirement for approximately £2.4m over 4 years. This report deals with Local Environment Directorate transformation in the light of these pressures.

## **2. Background**

In January 2010 the City Council completed the recruitment of Chief Officers to the new Senior Management Team. In all, seven appointments were made – two strategic directors and five assistant directors. Assistant directors have been initially focussing on management arrangements within their directorates. This is considered a necessary first step towards achieving transformational change within the organisation.

## **3. Local Environment Transformation- Phase 1**

Work has already begun to transform the Local Environment in the form of a savings and efficiency review and as part of this process the following work has been delivered (with savings summarised in table 2 below):

### *3.1 Local Environment Management Structure Review (phase 1)*

In consultation with staff and trades union it has identified and established a revised management structure (see table 1) which included the transfer of Bereavement Services from Community Engagement Directorate into the Local Environment Directorate, and the establishment of a new team, the Neighbourhoods and Green Spaces Team to enhance an area based approach to service delivery and a performance improvement manager to co-ordinate the programme of service improvements and savings and efficiency reviews. The following posts have been deleted.

- Environmental Health Manager (Environment Quality)
- Environmental Health Manager (Food and Health and Safety)

- Area Maintenance manager
- Bereavement Services Manager
- Green Spaces Manager

Table 1 below shows the new structure of 4 service delivery teams and one performance improvement team below;

	<b>New Structure</b>	<b>Post Holder</b>
1.	Highways Manager	Post holder matched to the post
2.	Waste Services Manager	Post holder matched to the post
3.	Neighbourhoods and Green Spaces Manager	Post holder appointed following internal recruitment process
4.	Environmental Health Manager	Vacant Post currently under recruitment
5.	Performance Improvement Manager	Vacant Post currently under recruitment

### *3.2 Budgets revisions/income maximisation*

This work has included reviewing operational costs, expenditure and commissioning of the box recycling collection service.

Table 2

<b>Established savings</b>	<b>2010/11 £000's</b>	<b>2011/12 £000's</b>	<b>2012/13 £000's</b>	<b>2013/14 £000's</b>	<b>2014/15 £000's</b>
Local Environment Management Structure Review	-18	-71	-71	-71	-71
New Green Box Contract	-290	-359	-359	-359	-359
Savings on hired vehicles	-65	-60	-50	-25	-25
Highways Services Operations	-10	-10	-10	-10	-10
Reduced materials budget	0	-15	-15	-15	-15
Deletion of p/t secretarial post	-7	-10	-10	-10	-10
Bereavement Services savings	-13	-13	-13	-13	-13
Reduced sampling budget	-5	-5	-5	-5	-5
Pedestrianisation Area increased income target	-14	-14	-14	-14	-14
<b>TOTAL</b>	<b>-422</b>	<b>-557</b>	<b>-547</b>	<b>-522</b>	<b>-522</b>

#### **4. Local Environment Directorate - Phase 2**

Local Environment will make further contributions to meeting corporate savings targets in the following ways. Reduced funding in Local Environment will result in a reduction in resources available to deliver some work programmes and some discretionary services may need to stop altogether. The following areas of work will be considered in a three strand approach of 1) Service cuts/ reductions 2) Working more efficiently and 3) Increasing Income

- Management and Supervision
- Grounds Maintenance
- Country side Management and allotments
- Bereavement Services
- Play areas
- Park Patrols
- Arboriculture
- Chargeable services (eg waste collections and pest control)
- Enforcement, Education and Events
- Streetscene and Public Realm
- Waste Collection Services
- Highways services
- Car Parking and Lighting
- CCTV

Local Environment must refocus on priorities to minimise the impact of reducing resources on front line services that the public value. Workshop and public views are that the cleanliness of our streets, anti-social behaviour such as dog fouling, better quality highways and rural services are priority areas.

Environment is one of two corporate priorities. The following approach is proposed to meet savings targets:-

- A. Focus resources on the provision of core services and reduce levels of discretionary services
- B. Lean business processes to reduce waste in the system and find efficiencies, focusing on customer needs and delivering value for money
- C. Move to area based working and revise levels of inspections, maintenance programmes and align service delivery to maximise impact of service delivery
- D. Seek to maintain assets such as play areas at current standards and not seek to improve
- E. Target resources in areas of the City Council's responsibility and ensure that partners and other responsible parties maintain areas within their own responsibility- (eg stop maintaining private land)

Initial savings are proposed using the strategy detailed above and are summarised in Table 3 below.

#### *4.1 Local Environment Staffing and Service Review (phase 2)*

Phase 2 of staffing structures is currently being considered and consultation with staff and trade unions is due to begin during December 2010

#### *4.2 Reduction in revenue expenditure*

Work is ongoing to identify a reduction in departmental revenue expenditure, particularly in areas of discretionary spend.

#### *4.3 Savings and Efficiency Review*

Efficiency reviews of statutory services such as waste collection services will be undertaken to find further savings with minimal reduction in services through maximising productivity and minimisation of waste.

Table 3

<b>Projected-savings</b>	<b>2010/11 £000's</b>	<b>2011/12 £000's</b>	<b>2012/13 £000's</b>	<b>2013/14 £000's</b>	<b>2014/15 £000's</b>
Local Environment Staffing and Service review (phase 2)	0	-141	-141	-141	-141
Reduced revenue expenditure	0	-75	-75	-75	-75
Local Environment Savings and Efficiency Review	0	-100	-250	-250	-250
Projected savings	0	-316	-466	-466	-466
Established savings	-422	-557	-547	-522	-522
Projected savings	0	-316	-466	-466	-466
<b>Total Savings Proposed</b>	<b>-422</b>	<b>-873</b>	<b>-1,013</b>	<b>-988</b>	<b>-988</b>