

## Shropshire Council - Proposed Savings Framework 2012/13 to 2013/14

SAVINGS	BUDGET SAVINGS 2012/13 to 2013/14 £'000	DETAILS / RISKS / IMPLICATIONS
<b>Management Review and Changes to Staff Terms and Conditions</b>		
Reduction in senior staff and changes to staff terms and conditions achievable by 2013/14.	8,064	A review of senior management across the organisation aims to reduce costs in this area by 20%. In addition changes to staff terms and conditions, subject to consultation, will see reductions in overall staffing costs.
<b>Service Redesign – People</b>		
Review of Learning and Skills services including: - Advisory Service - Administration - Music Service - Special Educational Needs - Early Years - Youth Support	2,720	A number of lean and functional reviews would be undertaken with a view to rationalisation of teams, reviewing levels of support and working towards a traded service basis in some areas.
Consolidation of Children's Centre Areas will provide the opportunity to reconfigure services and realise savings in staffing, administration, area budget and reduce premises costs.	1,100	Consolidation of these areas <b>does not</b> mean closures of Children's Centre's. It has been proposed that we consolidate from 18 to 11 areas (there is a statutory duty to consult and so at the moment no decision has been made that the degree of merging is possible or appropriate).
Review of Adult Social Care Services including: - In house provider services for day care and residential care - Increased use of independent and voluntary sector through personalised budgets - Increased capacity in reablement and telecare services - Maintain admissions to residential care in line with national best practices	8,150	Review and consider the outsourcing of in-house provision alongside increased use of personalised budgets and movement to support people in their own homes with the aim of reducing the growing demand on services.
Review of leisure provision to include consideration of outsourcing of facilities, review of operating times and reductions in controllable spend.	500	Review will consider the outsourcing of 6 leisure facilities, renegotiation of existing contracts and review of management arrangements at leisure centres.

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Reconsider services with the arts and culture sector including pushing services closer to the front line through co-location of libraries with other services.	1,450	Review of library services will aim to reduce costs of mobile library service and other accommodation costs. Other areas will see increased income generation, reduced service and reductions in grant aid.
<b>Service Redesign – People</b>		
Review of Children's Social Care in the following areas: - Assessment and care management - Managing eligibility - Improved commissioning	2,200	Lean reviews to identify lower cost alternatives and an adjusted skills mix within teams to reduce costs.
Further review of Public Protection Service to deliver cost savings	500	Review of service to improve income collection and rationalisation of services provided.
Review of re-commissioning across the sector	700	Reconsideration of the service to deliver reduced costs.
<b>Service Redesign – Places</b>		
Explore potential for extended community transport provision of bus services; review publicity/information; review frequency of high cost services	200	The existing service provision is already stretched so careful consideration of potential impact on vulnerable/rural communities. Also need to consider cumulative effect of any changes on public and bus operators.
Consider scope of new integrated highways and streetscene contract to offer savings through reduced rates and scope for reduced supervision costs. Consider appropriateness of service standards.	600	We will understand potential of the new contract to offer savings when detailed figures are returned by bidders later in 2011. Any reductions in service standards may lead to public dissatisfaction.
Adopt a risk based approach to reduction in our portfolio of street lights, illuminated signs etc leading to reduction in electricity costs.	200	Important that the potential safety implications of proposals are worked through and discussed with stakeholders.
<b>Commissioning and Procurement</b>		
Adopt a managed framework on agency contract expenditure to reduce spending levels by 20%.	420	Currently we have a number of contract framework arrangements for agency staff across all areas of activity.
In addition reduce the non-contracted spend by one half from £1.8m to £1.2m.	600	We propose to enter a managed framework agreement with a neutral vendor who would drive down prices and realistically can achieve a 20% reduction in spend. In addition we will tighten control of non-contracted spend outside of the arrangements to bring more into the framework and control prices.

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Reduction of expenditure on priority services through a service review facilitated by the RIEP (Regional Improvement Partnership – West Midlands)	100	Service Review of Print Services, including external print spend and reduction in printers facilitated by the RIEP.
Reduce spend on Corporate stationary and supplies by 25% through an active control system and removal of expensive options.	50	No service implications
<b>Commissioning and Procurement</b>		
Renegotiate annual contracts from IT suppliers.  Where appropriate we will re-tender over the next three years	100	A fairly drawn out process as contracts came up for renewal and these will need to be brought together under the control of the Commissioning and Procurement Group.
Renegotiate the cost of mobile phone charges and equipment at the end of the current contract in 2013.	35	No service implications
Re-tender community alarms services to replace existing equipment with new 'plug and play' moveable equipment	115	Should be no adverse service implications. We will give sufficient notice to existing providers to give them time to switch over to equipment specified in the framework.
Impose stricter centralised control over all aspects of IT expenditure and Procurement.	270	Tighter and centralised control of IT expenditure with no real service implications and better control of peripheral costs.
Renegotiate out of county placements costs for younger people.	310	A challenge can be anticipated both from Care Providers and families. This will need careful planning ahead and management.
<b>Shared Services</b>		
Creation of an internal shared service offering and then consideration of best model of delivery for the medium term eg joint service with other public sector body; externalised service; joint venture company etc.	2,000	A shared service approach will require new ways of working both from those delivering and receiving the shared service. New models of delivery will require considered planning and the various commercial/financial risks mitigated.
<b>Reducing Prudential Borrowing</b>		
Revenue savings from reduction in the capital programme	3,750	As a result of the review of the capital programme and decisions taken to remove a significant proportion of prudential borrowing a saving of £3.75m will be realised in 2012/13 and 21013/14.

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<b>Income Through Interest Rate Increases</b>		
Review of interest on balances achievable	1,221	Interest rate rises have been advised in the next 2 years from 0.7% to 3.1% which will enable the interest receivable budget to be increased accordingly.
<b>Reducing Premises Operating Costs</b>		
Rationalise our office accommodation leading to fewer buildings with reduced costs of rates, rent and utilities.	2,000	This will require new and more flexible ways of working and will change the pattern of service delivery in some of our towns.
<b>Trading Income</b>		
Increased income from Council services	2,003	The move to a more commercial basis for services will realise increased levels of income. In addition the Council's policy to move to income increases based on RPI and 4% year on year will reinforce the achievement of this target.
<b>Contract Renegotiation</b>		
Review ongoing contract terms and financing arrangements	1,000	No service implications, but will require detailed negotiations over the next 2 years.
<b>Carbon Savings</b>		
Savings as a result of initiatives to reduce everyday usage.	1,318	Initiatives in place over the period of the MTFP will generate energy savings which, by 2014/15, will be in excess of the Carbon Tax levied on the authority.
<b>Total Proposed Savings</b>	<b>41,676</b>	