

**REPORT TO THE CABINET**  
13 DECEMBER 2016

**Cabinet Member:** Councillor Dafydd Meurig

**Subject:** Matter arising from the scrutiny committee - Further Efficiency Savings

**Contact Officer:** Dafydd Wyn Williams - Head of Regulatory Department [acting]

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**Decision sought**

Approval to the timetable for implementing the Efficiency Savings submitted to the Cabinet on 12 July 2016 as matters arising from the Scrutiny Committee regarding Efficiency Savings.

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**Local member's views**

Not a local matter.

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**1. BACKGROUND**

- 1.1 A report was submitted to the Cabinet on 12 July 2016 outlining the matters raised by the Scrutiny Committee regarding Efficiency Savings that had been referred to the Scrutiny Committee for further work.
- 1.2 A report was provided on the progress achieved on the Savings to undertake further work on them. Upon considering the observations of the Scrutiny Committee as required, the Cabinet gave approval to the Regulatory Department to proceed with the following steps:
- To commit to make the Pest Control Unit as financially self-sufficient as possible by increasing income by approximately £40,000 per annum, rather than abolishing the Pest Control Service in its entirety.
  - To abolish the post of Senior Public Protection Manager and adapt the current post of the Senior Planning and Environment Manager to include responsibility for the Public Protection Service also, in order to meet the Phase 2 Public Protection saving (£69,000).
  - To proceed to meet a saving of £278,440 as detailed in 5.2 of the report submitted, by implementing an alternative scheme. The alternative scheme would focus on increasing income (deriving mainly from the efforts to establish a new Parking Order), changing structures and reducing the risks that prevent approved savings from being realised.

## 2. PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to outline the timetable for realising Efficiency Savings in the Pest Control field, along with the Phase 2 Public Protection Saving.
- 2.2 There is also a requirement to meet an amount of £278,440 within the alternative scheme. When the report was submitted to Cabinet on 12 July 2016, the exact headings and figures were relatively ambiguous, therefore, the Department has prepared a firm programme for the alternative scheme, with the intention for this to be adopted in the Department's Savings scheme.

## 3. OPERATIONAL PROGRAMME

### Pest Control

- 3.1 Considerable progress has been made in terms of the Pest Control Unit working towards being self-sufficient. If a decision had been made to abolish the Unit, the Council would have saved £28,440; however, by deciding to retain the Unit, a figure of £56,290 needed to be reached in order to be completely self-sufficient. As this was not realistic, an estimate of £39,620 was set as a realistic figure that could be met through a combination of the following:

Review of Internal Contract Fees	£16,500
Review of External Contract Fees	£6,500
Review of Responsive Service Fees	£7,500
Attracting new work through more effective marketing	£9,120
<b>Total</b>	<b>£39,620</b>

- 3.2 I am glad to report that the figures have now been reviewed and that progress has also been made with marketing what the unit offers. Also, some managerial changes have been made as the unit has been moved to the Property Service rather than sitting in the Public Protection Service. Consequently, robust work programming and back-office provisions have been established. The Department is confident that this deficit can be met, and that the figure shown will be realised in full at the beginning of the 2017-18 financial year.

### **Phase 2: A further 10% cut in the Public Protection Service budget**

- 3.3 At the Cabinet meeting on 12 July 2016, it was decided that this saving would be met by abolishing the post of Senior Public Protection Manager and adapting the current post of the Senior Planning and Environment Manager to include responsibility for the Public Protection Service.

3.4 These arrangements are now in place, and the structural change paperwork is being prepared; therefore, it is reasonable to programme this saving for the first quarter of the 2017-18 financial year.

### **Alternative Scheme**

3.5 You may recall that the intention of the alternative scheme was to address a likely deficit in approved savings that were at risk of not being realised. These schemes are outlined in table 1 below.

**Table 1:** Savings which need to be considered in alternative schemes;

<b>SCHEME</b>	<b>SUM</b>
Phase 3: A further 10% cut in the Public Protection Service budget	£ 43,150
Advertising Planning Applications	£ 15,000
Approved savings - amber risk level	£ 85,290
Approved savings - red risk level	£ 35,000
<b>Desire</b> to find savings to address the deficit from two collaboration schemes disregarded.	£100,000
Total	£278,440.00
Total not including the <b>desired</b> saving	£178,440.00

3.6 It was agreed to meet the deficit by acting as follows:

- Increasing income (deriving mainly from efforts to establish a new Parking Order).
- Reducing the risks that prevent approved savings from being realised.
- Structural changes

### **Increasing Income**

3.7 **Additional Parking Income [New Order]:** The Council has now adopted the new Parking Order for the county in its final form. This was a long and complex process; however, following a comprehensive consultation process, the Order has now been published and we are putting practical arrangements in place such as the installation of machines, signage and general improvements to the car parks that will become party to a pay and display system for the first time. As a consequence of this, as reported to the Cabinet on 24 November last year, the new income will be approximately £158,000.

3.8 Therefore, the Department is comfortable to programme this saving for quarter 1 of the 2017-18 financial year.

- 3.9 **Additional Parking Income [Extra Effort]:** As well as generating additional income by introducing new pay and display arrangements, the Parking Unit has also been undertaking work to increase the use of car parks that have been party to these arrangements for some years. After receiving observations from the users of the car parks, we identified that we needed to improve the condition of some locations, parking bays needed to be more clearly marked, signage needed to be improved and we needed to ensure that the appearance of the car parks were welcoming and safe. We are aware that many customers have referred to this when we questioned them over the past months. These efforts have led to a general increase in income from car parks and we are comfortable that approximately £35,000 can be contributed towards this alternative scheme. There is room to believe that we may see a further increase in the future if we can continue with these efforts.
- 3.10 The Department is also working on establishing a procedure similar to that in the Planning Service by charging a fee for advice in the Public Protection field where practicable to do so. This is a field where Public Protection services in nearby counties (such as Conwy) are also in the process of introducing arrangements for charging for advice in order to recover the Council's costs for non-statutory services. Authorities in other parts of Wales, such as Monmouth County Council, Powys Council and the joint Public Protection Service between Cardiff, Vale of Glamorgan and Bridgend Councils, has already adopted a procedure for charging a fee for advice, and mainly so in the field of food safety. The intention is to have an agreement to the principle of charging a fee in place so that the arrangements for charging a fee are operational from 1 April 2017 in order to charge a fee for offering advice on relevant matters in Public Protection's work fields. It is expected for this arrangement to generate approximately £5,000 per annum in additional income.

### **Reducing Risks**

- 3.11 Work has been done in an attempt to realise as much of the savings as possible from the headings that were at risk. The amber risk level elements submitted on 12 July 2016 (outlined in table 1 of the report), came to a total of £85,290. By now, the Department has managed to reduce the risks in the risk category "*likely there will be a problem in reaching the expected saving*" **[Amber]** to a figure of £23,290 which releases £62,000 for the alternative scheme.

### **Structural Change**

- 3.12 Considerable work has been done by the Department on addressing the structure, and more specifically, to look at establishing larger teams/units, but fewer of them.
- 3.13 Having looked at the possible savings from restructuring, the Department is of the opinion that £18,000 can be saved from this.

3.14 The Department is of the opinion that these savings can be realised in two phases by meeting a saving of £9,000 in quarter 1 of the 2017-18 financial year and a further £9,000 in quarter 3.

### **Summary of the programme**

3.18 A table outlining a summary of the savings implementation programme discussed in this report is shown in table 2. It can be seen that the total of the proposals is **£387,000**

**Table 2:** Implementation programme for the savings discussed at the Council's Cabinet on 12 July 2016

Saving	2017/18 Financial Year				Total
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Pest Control Unit	£40,000				£40,000
Phase 2 Public Protection	£69,000				£69,000
Sub-total	<b>£109,000</b>				<b>£109,000</b>
Alternative Schemes					
Additional Parking Income [New Order]	£158,000				£158,000
Additional Parking Income [Extra Effort]	£35,000				£35,000
PP additional income	£5,000				£ 5,000
Reducing Risk	£62,000				£62,000
Structural Change	£ 9,000		£9,000		£18,000
Alternative scheme sub-total	<b>£269,000</b>		<b>£9,000</b>		<b>£278,000</b>
Final total	<b>£378,000</b>		<b>£9,000</b>		<b>£387,000</b>

## **4. RECOMMENDATION**

4.1 To accept the implementation programme for the savings discussed at the Council Cabinet on 12 July 2016, and to monitor the programme by means of the approved savings monitoring procedure.

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### **Views of the statutory officers**

#### **The Chief Executive:**

*"The attached report is to be approved. Obviously this is a case of realizing some efficiency savings in a different manner from what was originally planned, but the revised proposals are clear, acceptable and also consistent with the discussions held by the Cabinet in its meeting last July last."*

#### **The Monitoring Officer:**

*Any comments with regard to propriety will be given at the meeting.*

**The Head of Finance Department:**

Any comments with regard to financial propriety will be given orally at the Cabinet Meeting

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**Appendices**