

Appendix D

Ref	Description of proposal	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
FINANCE AND BUSINESS SERVICES SAVINGS PROPOSALS					
Finance Services					
FS1	BID Finance Review - Restructuring of Debtors and Creditors functions				
	Centralisation/rationalisation of 3 teams into 1, and of 3 systems into 2, combined with significant systems development involving Oracle debtors and a new Capita system for phone/internet payments. The figure includes opportunities to reduce the cost of cash handling and collection which is another key aim of the project.	305	305	305	305
FS2	BID Finance Review				
	The Finance teams for each Group handle all work from the high level strategic to the very low (journals, virements etc). There is scope to centralise the low value added low level work, thus enabling the teams to concentrate on important value added work on monitoring, MTF, development of savings etc. In addition, as the Council downsizes over the coming years and concentrates on a more limited core offer and employing less staff, the Finance support requirements should reduce. Opportunities for more systems led BPR work and the continued move away from specific grants should reduce finance support requirements.	184	384	504	504
FS3	Review of Insurance				
	Insurance has been split out from Internal Audit and moved into Finance. A review will be undertaken of how the Insurance service runs and this should provide opportunities for efficiencies.	21	50	50	50
FS4	Audit Fees				
	Reduced external audit fee due to deletion of CAA requirement. There should be the scope for further savings from 2012/13 and onwards as the Audit Commission is deleted and authorities are free to tender for External Audit Services	50	100	100	100
Total Finance Services		560	839	959	959
Business Services					
BS1	BID Service Review - Apply Operating Model to Business Services				
	Following the transfer of the service to the new Finance & Business Services Directorate, a review of the structure has started. In particular the BID work undertaken on Passenger Services so far suggests the potential to save money through the setting up of an Integrated Transport Unit.	170	170	170	170
BS2	BID Expenditure Review of Bereavement Services				
	Potential savings in staffing and non staffing budgets have been identified as part of the initial review of this service	43	43	43	43
BS3	Review of Bereavement Services fees and charges				
	A review of the fees and charges for this service indicates that Hillingdon is in some instances well below the benchmark across London, for example Hillingdon charges £125 per cemetery plot, whilst the London average is between £2,000 to £4,000 per plot. In this financial year a minimum of 50 plots have been purchased by non-residents. A number of authorities also offer a Pet Burial Service, which is something that could be introduced quickly with minimal investment.	213	213	213	213

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BS4	BID Review of Imported Food Unit				
	Initial BID review of the service suggest savings potential from a review of the operating model and introduction of a rota work system, rather than relying on overtime. A number of new initiatives have also been introduced, which will allow Port Authorities to levy fees on checks that need to take place on imported goods. This is being done in a way whereby the income generated is kept by the authority rather than earmarked for potential return to central govt.	578	578	578	578
Total Business Services		1,004	1,004	1,004	1,004
ICT Services					
ICT1	BID Review and consequent Restructuring of ICT Service				
	Savings in 2011/12 relate to the review of the structure in 2010/11 and reflects the Full Year Effect as the restructuring has already been implemented. The gross saving delivered in a full year was £364k, however of this £160k has been used to fund a new transformation team, with a further £60k being used to fund a Business Partner post. The new structure has also provided the capacity for the in-house team to deal with internal office moves saving a further £30k, with the result that the saving is the net position. Savings from 2012/13 relates to the continuation of the unification of ICT services and exploiting the opportunities that arise as the authority downsizes over the coming years.	174	384	414	414
ICT2	Potential Opportunities from Re-tendering ICT Contracts				
	The Council's ICT current managed services contract terminates in April 2012 and preparations are currently being made to go through the tender process. It is intended to also wrap up other major ICT contracts into the same tender, although in separate lots, so as not to reduce competition. It is expected that this will then enable the Council to exploit fully the potential of Cloud Technology in 2014/15. At present it is believed this cannot sensibly be delivered earlier due to data security issues needing to be sorted.	0	0	0	400
ICT3	Review of Telephone and Mobile Phone contracts and usage				
	Introduce improved Procurement processes, offsetting future increased usage	25	25	25	25
ICT4	Impact of Microsoft Migration				
	This includes both staffing and non-staffing budget savings and continues the payment holiday that has been taken on Microsoft Licences, which has already delivered savings of £130k.	0	0	30	30
ICT5	Process development within Contact Centre				
	Opportunities through the use of improved technology and investigating different delivery models, including considering the outsourcing of individual services.	0	90	180	270
Total ICT Services		199	499	649	1,139

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FINANCE AND BUSINESS SERVICES SAVINGS PROPOSALS					
Procurement/Contract Management					
PCM1	Review of management structure				
	New structure agreed last year is largely recruited to now. Given the experience of how the team is operating there is the opportunity to make small changes to the structure.	51	51	51	51
PCM2	BID Service Review - Following incorporation of I-Proc Team				
	As part of the BID Review in 2010/11, the existing iProcurement team (4 FTEs) have joined the Corporate Procurement team. The key objective for this team is delivery of the Creditors workstream of the overall Finance BID project. Once this sub-workstream is complete a further review of the overall Procurement structure can be carried out.	0	21	31	31
PCM3	BID Service Review - Apply operating model to Contract Management				
	Using the principles agreed, apply the Council's Operating Model to Contract Management activity undertaken in all groups, with a view to potentially centralising this function within Corporate Procurement.	0	0	35	50
Total Procurement/Contract Management		51	72	117	132
Other Finance and Business Services					
OFS1	Renewal of Insurance contract 1.12.10				
	The current retendering exercise has identified that gross savings can be achieved totalling £384k. The majority of this will fall in the HRA and schools sector, the balance shown is the Full Year Effect benefit that should accrue to Central Services, a further £82k will benefit Fleet Management (PECS).	116	116	116	116
Other Finance and Business Services		116	116	116	116
Fees and Charges					
	Fees and Charges Increase by at least 2.5%	164			
Total Fees and Charges		164	0	0	0
Total Finance and Business Services		2,094	2,530	2,845	3,350