Financial Transformation

EFFICIENT ◦ EFFECTIVE ◦ SUSTAINABLE

Briefing Paper: Quarterly PAC report January-March 2013

15 May 2013

1. Introduction

1.1 On the 31st January 2013, the States resolved:

> *"6. To direct the Policy Council to provide the Public Accounts Committee with copies of Financial Transformation Programme Office reports on a quarterly basis which details projects signed off as having been successfully delivered along with the agreed annual recurring savings categorised in the following manner:*
>
> *1. efficiency savings*
> *2. increased fees and charges*
> *3. changes to grants and subsidies"*

1.2 This is the first report to be presented to the Public Accounts Committee (PAC) following the States Resolution. It details all annually recurring benefits, signed off in the months of January, February and March 2013 (Q1), and provides some high level analysis of the savings made by Departments.

2. Overall Summary of Benefits signed off in the period

2.1 The amount of savings signed off during this period totals **£3,159,136.**

2.2 A summary of the savings signed off by category is as shown in Figure 1, whereas Figure 2 shows which Departments have delivered these savings. Table 1 shows the exact amounts that each Department has signed off, together with the associated category as per the resolution.

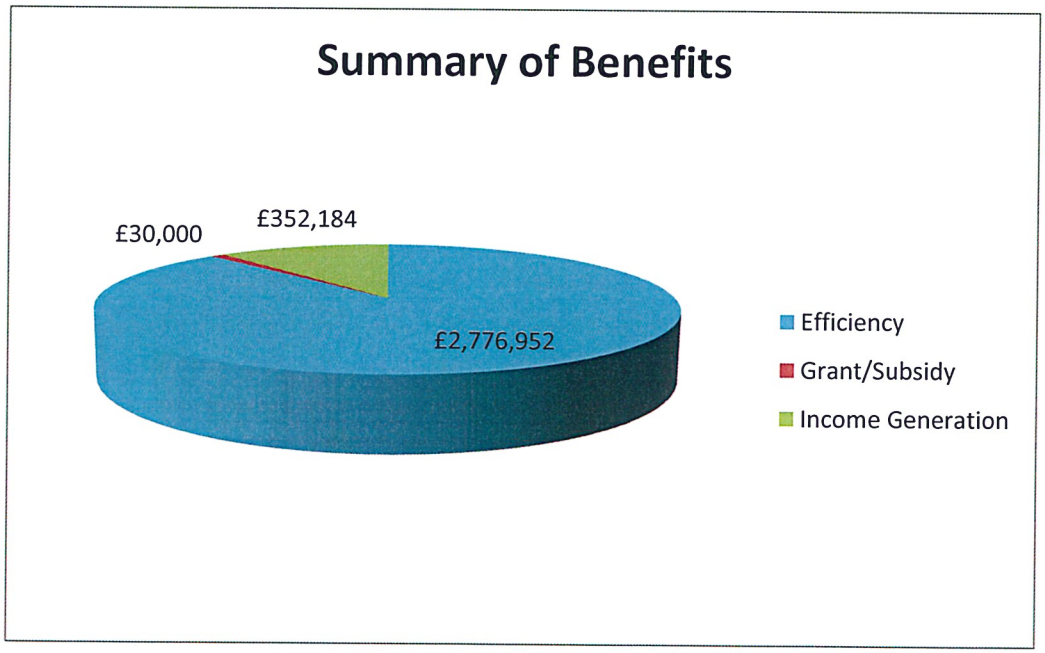


Figure 1: Savings signed off by category in Q1 2013

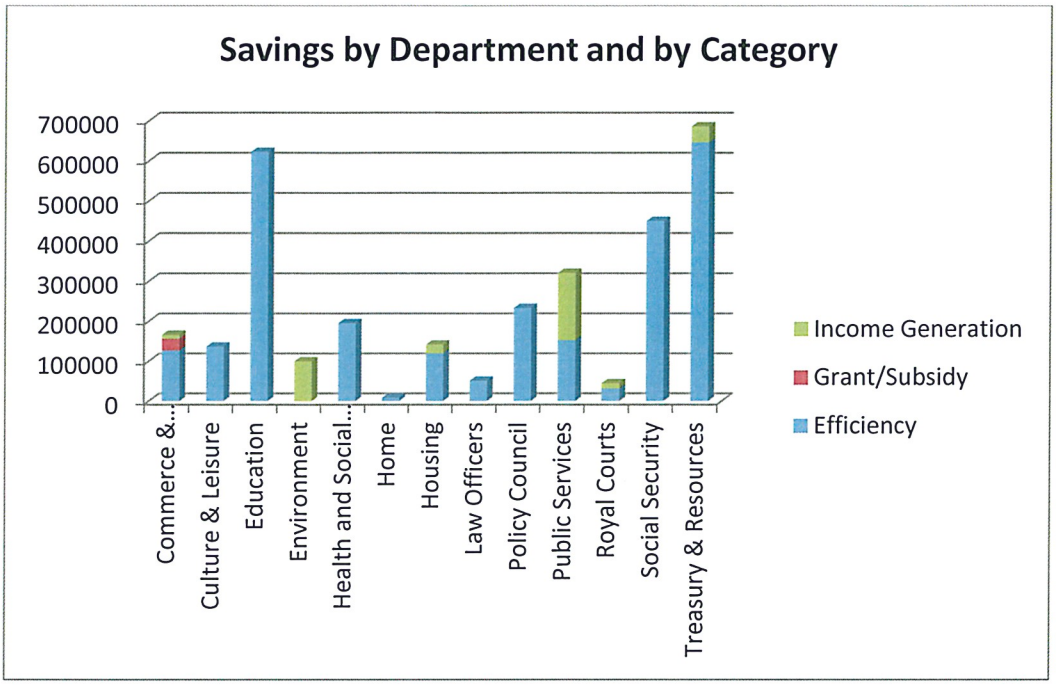


Figure 2: Savings signed off by Departments in Q1 2013

Table 1: Savings made in Departments by category in Q1 2013

Department	Efficiency (£)	Grant/Subsidy (£)	Income Generation (£)	Q1 saved total (£)	2013 target (£)	2014 target (£)
Commerce & Employment	127239	30000	9184	166423	378,500	220,200
Culture & Leisure	137000			137000	602,600	278,750
Education	622333			622333	1,262,600	3,659,000
Environment			100000	100000	202,800	158,700
Health and Social Services	195987			195987	3,293,794	4,655,600
Home	8514			8514	1,325,000	661,650
Housing	120000		22000	142000	142,000	70,400
Law Officers	51500			51500	37,000	23,000
Policy Council	233450			233450	425,000	218,600
Public Services	153000		168000	321000	488,000	246,500
Royal Courts	32188		13000	45188	40,000	19,500
Social Security	450000			450000	259,000	89,300
Treasury & Resources	645741		40000	685741	1,397,000	535,100
Grand Total	**2776952**	**30000**	**352184**	**3159136**	**9,853,294**	**10,836,800**

3. Detailed List of Projects and signed off Savings by Department in Q1 2013

3.1 Table 2 shows a detailed summary of the projects signed off by each Department; the category this saving relates to, and the amount of the annually recurring benefit.

Table 2: Individual Department projects and their associated savings by category in Q1 2013

Project	Category of Saving	Benefit Value (£)
Commerce & Employment		
CAA Operating Costs	**Income Generation**	9,184
Reduce Events & Activities Grant	**Grant/Subsidy**	30,000
C&E_D Air Route subsidy	**Efficiency**	73,000
Staff Savings - reorganisation	**Efficiency**	3,000
Staff Savings - reappointments	**Efficiency**	47,839
Various efficiencies across supplies and services codes	**Efficiency**	3,400
Commerce & Employment Total		**166,423**
Culture & Leisure		
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	56,000
Reduce Administrative support in Events & Information.	**Efficiency**	29,000
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	52,000
Culture & Leisure Total		**137,000**

Project	Category of Saving	Benefit Value (£)
Education		
English Speaking Board	**Efficiency**	40,000
General Cuts - Abridged Electronic Report	**Efficiency**	10,000
General Cuts - Retirements, and deletion of vacant posts	**Efficiency**	83,000
Refocused Youth Service	**Efficiency**	75,000
Supply Teacher	**Efficiency**	25,000
HE Parental Contribution	**Efficiency**	217,333
Water Sampling - change in EU monitoring regime	**Efficiency**	10,000
Swimming - Staff Training	**Efficiency**	44,000
Swimming - Reduced maintenance for reduced opening	**Efficiency**	63,000
Primary Rationalisation - Joint Headship for two schools	**Efficiency**	30,000
Lunchtime supervision	**Efficiency**	25,000
Education Total		**622,333**
Environment		
Fees & charges	**Income Generation**	100,000
Environment Total		**100,000**
Health and Social Services		
Hips and Knees	**Efficiency**	185,000
Procurement	**Efficiency**	10,987
Health and Social Services Total		**195,987**

Project	Category of Saving	Benefit Value (£)
Home		
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	2,698
Cleaning materials	**Efficiency**	605
Stationery	**Efficiency**	3,486
IT Consumables	**Efficiency**	1,725
Home Total		**8,514**
Housing		
Furniture & equipment	**Efficiency**	5,000
Housing Control fees increase	**Income Generation**	22,000
IT hardware	**Efficiency**	3,000
Public Sector Employees salary budget	**Efficiency**	45,000
Reduction in contract staff	**Efficiency**	8,000
Repairs & maintenance	**Efficiency**	12,000
Night shift changes	**Efficiency**	24,000
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	23,000
Housing Total		**142,000**
Law Officers		
Cleaning contract, laundry and window cleaning	**Efficiency**	1,500
*[**Contract re-negotiation - redacted 2.13**]*	**Efficiency**	15,000
*[**Contract re-negotiation - redacted 2.13**]*	**Efficiency**	10,000
Remove online resources	**Efficiency**	15,000
Review of main client charges arrangements	**Efficiency**	10,000
Law Officers Total		**51,500**

Project	Category of Saving	Benefit Value (£)
Policy Council		
Admin Library & reference	**Efficiency**	1,000
APPCIG	**Efficiency**	3,500
BIC Summit Meetings	**Efficiency**	1,250
CIBO	**Efficiency**	40,000
Conference budget	**Efficiency**	1,000
Electronic Publication of Billets	**Efficiency**	50,000
Fiscal Policy Panel	**Efficiency**	16,000
Further Staffing Efficiencies	**Efficiency**	15,000
General expenses	**Efficiency**	1,000
Insurance	**Efficiency**	5,000
International reputation work	**Efficiency**	25,500
International agreements	**Efficiency**	10,800
Non-staff travel	**Efficiency**	1,000
Redistribution of wealth	**Efficiency**	10,000
Reduction in hospitality budget	**Efficiency**	22,500
Reduction in UK Advisory service budget	**Efficiency**	11,400
Reduction in US Advisory services budget	**Efficiency**	6,000
Staff training	**Efficiency**	2,500
Strategic & Corporate Admin general	**Efficiency**	10,000
Policy Council Total		**233,450**
Public Services		
Contract re-negotiation *[**redacted 2.13**]*	**Efficiency**	140,000
Increase in tipping charges by RPIX + 5%	**Income Generation**	168,000
Site preparation	**Efficiency**	6,000
Training expenditure	**Efficiency**	7,000
Public Services Total		**321,000**

Project	Category of Saving	Benefit Value (£)
Royal Courts		
Court Building - Cleaning	**Efficiency**	5,000
Court Fees	**Income Generation**	13,000
Greffe - Consultancy Fees	**Efficiency**	8,000
Greffe - Overtime	**Efficiency**	5,000
Greffe - Transcript Costs	**Efficiency**	5,000
HM Sheriff - Audit Fees	**Efficiency**	2,000
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	7,188
Royal Courts Total		**45,188**
Treasury & Resources		
50% of forecast Postage and printing savings arising from online income tax returns	**Efficiency**	**15,000**
Guernsey Digimap – reduction in contracted out work budget	**Efficiency**	**4,000**
Guernsey Digimap – reduction in contracted out work budget	**Efficiency**	**3,000**
*[**Staff re-organisation – redacted 2.12**]*	**Efficiency**	**67,000**
Return of income from rent reviews	**Efficiency**	**541,741**
Revenues from Digimap licences	**Efficiency**	**15,000**
States Digital Map Royalties - removal of cap	**Income Generation**	**40,000**
Treasury & Resources Total		**685,741**

Project	Category of Saving	Benefit Value (£)
Social Security		
Claims Management	**Efficiency**	450,000
Social Security Total		**450,000**
Total Benefits for Quarter 1 2013		**3,159,423**

4 Summary of FTP Position at the end of Q1 2013

4.1 Overall position of the Financial Transformation Programme against targeted £31 million at end of Q1 2013 is illustrated by Figure 3 below.

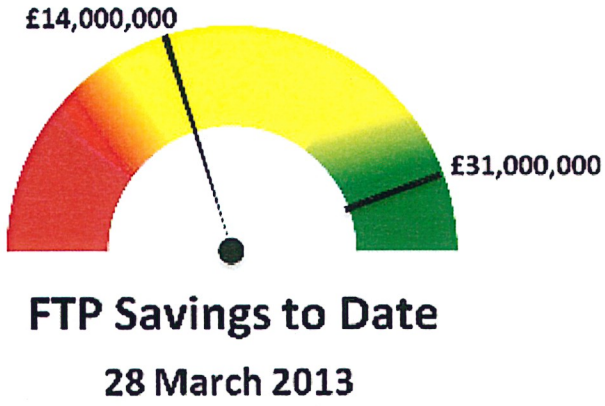


Figure 3: Total savings signed-off by FTP end of Q1 2013