

Appendix 2: Existing Service Efficiency Review

1. This is on track to deliver £0.9M of the £1.1M of savings targeted from this project ahead of schedule. Further work is being undertaken to close the gap and it is anticipated that this will be completed ahead of the target dates in 2014/15 and 2015/16.
2. To support the delivery of this project up to £170K investment will be required to support one off project costs, in-cab technology and resourcing costs however this will be funded through in-year savings which have been brought forward ahead of schedule.
3. Instituting a rolling Fleet replacement programme: This will significantly reduce down time, management time, missed bins, rework and related customer complaints. The service currently experiences about 10% of its fleet breaking down on a daily basis due to the ageing nature of the current fleet which is beyond the recommended life for the vehicles. Already quantified are £168K of savings related to this specific measure however we anticipate the actual benefits being realised from this investment being significantly higher and helping to close the gap in the £2.5M savings target.
4. Please note while initial purchase will be through capital it will be financed through the existing revenue budget provision.

5. Risk Implications

Top Risks for the Efficiency Project are Capacity, Ambitious Timescales, Inability to achieve forecast savings, Public Resistance to Change potentially undermining long term company viability and delivery of anticipated benefits. Strenuous efforts are being made to mitigate these while balancing the need to ensure service continuity as the top priority.

6. Legal Implications

No legal implications currently anticipated other than need to comply with OJEU procurement regulations in relation to Fleet purchase.