

Appendix 3

Schedule of non-property related costs/savings.

The table below shows the non-property related costs/savings that have been used in the current business case in the net present value calculations by Nisbet and Partners L.L.P, together with the bases of calculation. The “Do nothing” option assumed to be zero in all cases as savings and additional costs are compared to the current base position.

Type of Cost /Saving	Basis of Calculation	Range B/H £'000	Range O/S £'000	Used B/H £'000	Used O/S £'000	Notes
Staffing Savings	The Vantage Point report identified savings of £350,000 per annum through efficiencies and relocation of existing points of contact. 1.5 FTE assumed required for O/S option for reception.	(300) to (400)	(280) to (380)	(300)	(280)	Staffing savings of £400,000 per annum (to include admin savings of £100,000) have been integrated into the Council's Medium Term Financial Strategy. A programme of business process re-engineering is ongoing to support this.
Canteen Cost	Benchmarking with neighbouring Councils has showed a range of £100-£150 subsidy per member of staff per annum.	0	40-60	0	40	£100 per annum for 400 staff.
Transport cost - courier	A courier service would be required to service the back office/front office split. It is assumed for efficiency this would be combined with a front of house assistant/janitor post at the back office.	0	20-40	0	20	1 FTE plus a vehicle and running costs based on I.T. trainer costs.
Transport cost –shuttle service	In order to ferry staff (possibly customers) from the City to O/S. Based on other authorities and SDC park and ride contracts.	0	40-80	0	40	It is assumed that there would be economies of scale by combining with an existing park and ride operation.
Productivity Savings – Customer Contact Centre	Vantage Point report identified £396,000 per annum of efficiency savings for office centralisation. It is assumed that 25% (£100,000) would be cashable. This was then validated against the approximate number of visitors per annum (165,000) with 80% resolution, therefore 20% (33,000) requiring an	(100)- (400)	(50)- (350)	(100)	(50)	The difference (£50k) between the two options assumes 2750 hours @ £18 per hour (average cost of Benefits/Housing/Planning Officer) Note that 5 minutes per enquiry is a minimum figure and that the actual saving will also depend on customer numbers. Call centres set up in other areas have experienced an increase in customer visits once open.

	additional 5 minutes minimum of back office staff time with a split site operation.					
Productivity Savings – Staff Movement	NOT COSTED – It is assumed that savings from staff movements are similar in both options	N/a	N/a	N/a	N/a	There would be a greater saving in staff movement with a single site operation, but not significant.
Facilities Management Costs	Savings in contract costs for cleaning, hand drying, security and landline costs	(66)-(100)	(50)-(100)	(66)	(50)	The difference between the options includes £8,000 of line rentals.
Customer Satisfaction	NOT COSTED	N/a	N/a	N/a	N/a	Not converted to Monetary Value in NPV calculation
Staff Morale	NOT COSTED	N/a	N/a	N/a	N/a	Not converted to Monetary Value in NPV calculation
Staff Turnover	NOT COSTED	N/a	N/a	N/a	N/a	Not converted to Monetary Value in NPV calculation
	TOTALS	(466) to (900)	(280) to (650)	(466)	(280)	