

**GERSHON EFFICIENCY AGENDA – ANNUAL STATEMENT OF EFFICIENCY  
BACKWARD LOOK 2006/7**

**EXECUTIVE MEMBER:** Councillor Ms E Woodburn Leader

**LEAD OFFICER:** Hilary Mitchell & Sue Bamforth

**REPORT AUTHOR:** Hilary Mitchell

**Summary and Recommendation:** To seek the approval of the Executive to the content of the Annual Efficiency Statement Backward Look 2006/7, before it is submitted to Government

That the information attached at Appendix A is approved for the Council's Annual Efficiency Statement 2006/7.

## **1. INTRODUCTION**

Under the Gershon Efficiency programme 2005/8 the Council, in common with other public sector bodies, is required to identify and deliver efficiency gains under a number of specified headings. The target set for the Council by the Government is £975,000 over the three years. The Council has already identified where it expects to find these efficiencies and has advised the ODPM (now DCLG) of its plans in Annual Efficiency Statements –Forward Looks for 2005/6, 2006/7 and 2007/8. The Backward Look 2006/7 will be the report on the second year's progress in meeting our targets. From the information available we are on track to achieve the targets.

## **2. ARGUMENT**

**2.1** The attached report of progress against the Gershon targets is formatted as required by the Government's guidance. We are required to show efficiencies as cashable or non-cashable, under a number of specified headings, to meet the overall target over a three year period.

The information to be included in the Backward Look shows that the Council is on target in its total efficiencies achieved for 2006/7, with more than 50% of the total shown as cashable efficiencies (ie can be reinvested in Council services).

The Annual Efficiency Statement –Backward Look will be submitted by the Council and will be subject to External Audit. This is likely to take place in Autumn 2007. The findings will be reported in the Annual Audit and Inspection Letter and be reflected in the annual CPA Use of Resources judgement.

## **5. FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)**

5.1 There are no financial or human resources arising from this report. The consequences arise from implementation of the Council's plans to deliver the efficiencies required.

The Executive should note that following the final year of the Gershon programme, 2007/8, the target for achieving efficiencies will be more demanding and will be solely concerned with cashable efficiencies. The Corporate Team, through Resources Steering Group, is working towards putting in place the means to transform the way we conduct business in future in order to work more efficiently.

## **6. PROJECT AND RISK MANAGEMENT**

6.1 The Corporate Team has been monitoring the Council's progress throughout the Gershon programme. In addition periodic reports have been made to Executive, Audit Committee and Overview and Scrutiny Committees.

## **7. IMPACT ON CORPORATE PLAN**

7.1 Working more efficiently has been a corporate objective for a number of years and the Council's new 5 year plan contains the continuing need to identify and realise efficiencies.

### **List of Appendices**

Appendix A - Annual Efficiency Statement -Backward Look 2005/6

### **List of Background Documents:**

- AES - Measuring Reporting Gains
- AES - One Year On
- Efficiency technical note (ETN) for Local Government
- Delivering Efficiency in Local Services - Further Guidance for Local Authorities
- Measuring Efficiency Gains - ODPM Guidance 16th May 2005
- Measuring Efficiency Gains - DCLG Guidance 2nd March 2007

**List of Consultees:** Corporate Team; Budget Working Party; Overview and Scrutiny – Performance and Resources.

Impact on Crime and Disorder	
Impact on Sustainability	

Impact on Rural Proofing	
Health and Safety Implications	
Project and Risk Management	√
Impact on Equality and Diversity Issues	
Children and Young Persons Implications	
Human Rights Act Implications	

Please say if this report will require the making of a Key Decision    NO

Appendix A – Annual Efficiency Statement – Backward Look 2006/7

<b>AES Workstream</b>	<b>Forward Look Target 2006/7</b>	<b>Progress</b>
Culture and Sport	Annual saving of £3,000 on Sports Centre creche costs; annual efficiency of £60,000 arising from Leisure Trust for reinvestment in Community Sports service	Likely to realise £3,000 cashable and £54,000 non-cashable in 2006/7
Environmental Services	Migration of waste collection bookings to Copeland Direct delivering efficiencies of £10,000	Not likely to yield realisable efficiencies in 2006/7. <i>(now deleted from Forward Look 2007/8)</i>
	Waste Management – improvement in street cleaning performance against BVPI 199 giving rise to efficiencies of £20,000	Performance in 2006/7 is considerably better than target, which will increase the non-cashable efficiencies for 2007/8
Homelessness	Build on joint work with Allerdale BC to save management costs.	Joint working with Allerdale is well developed. Single representation for West Cumbria at meetings being an example of efficiencies. Each authority is taking a lead on particular issues on behalf of West Cumbria. No efficiencies claimed for 2006/7.
Corporate Services	Outsource Valuation Service to Capita resulting in annual saving of £15,000 over baseline year	On target
	Corporate Restructure in 2005/6 yielding £50,000 savings in 2006/7 over baseline year	On-target
	Outsource Careline service making £175,000 saving in 2006/7	On-target
	Make greater use of web-site for customer self-service. Saving £1,000 in 2006/7	Difficult to measure. Increased usefulness of information and traffic on website, assume reduction in staff time results. <i>(now deleted from Forward Look 2007/8)</i>
	New cheque printing procedures	On-target

<b>AES Workstream</b>	<b>Forward Look Target 2006/7</b>	<b>Progress</b>
	resulting in £5,000 efficiencies	
Procurement	Savings of £3,500 in and non-cashable efficiencies of £10,000 in 2006/7 arising through achieving IEG targets in eProcurement and eTendering	Public Buildings helpdesk outsourced; public building orders and invoices now electronic; electronic quotations- £3,500 savings achieved from reduction in printing and postage; increasing use of joint procurement for telephony, hire cars, FMS system likely to lead to further small cashable efficiencies in 2006/7.
Productive Time	Plan to reduce problem sickness absence £30,000 efficiency target	Plan delivered and 18% reduction in sickness absence achieved in 2006/7 over the previous year, through combination of resolving long-term sickness cases, better information and reporting, improved management practices and review of policy.
	Remote working target of £5,000 efficiencies arising from more time with customers, reduced travelling time	Not likely to achieve target in 2006/7. Pilot not extended, and costs of setting up pilot not recouped through including other posts.
Transactions	Increased use of ePay should lead to savings of £7500 in 2006/7	On-target. Introduction of Civica for cash receipting should lead to saving half a post in 2006/07
Miscellaneous	Interest on capital receipts target £97,000 savings in 2006/7	Likely to be on target. Needs to be verified at accounts close-down