

## Annual efficiency statement - forward look

### Details

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Statement

### Strategy for period to 2007/08

The Council reviewed its corporate priorities in 2003 prior to agreeing the People and Performance Corporate Plan 2003-07. Six key priorities were included in the plan following consultation with residents as part of a comprehensive service expenditure review. One of the priorities is to cut bureaucracy and improve cost effectiveness.

The Council reviewed its medium term financial strategy in 2003 and agreed a Four Year Financial Plan 2004-2008. One of the main financial objectives is to limit increases in Council Tax and reduce the use of the working balances. This provides a major challenge, particularly as the Council has already reduced staffing and overheads in a number of areas. To address this challenge the following efficiency targets have been included in the financial plan:-

- (a) Management efficiency savings targets of £400,000 per annum by 2007/08
- (b) Reduced operating subsidy for the Council's venues and day centres of £310,000 by 2007/08
- (c) Disposal of properties to reduce repair and maintenance liabilities and to generate a receipt of £4 million by March 2008 to enable a minimum £3.5 million investment in community services

The Best Value Review Programme has been aligned to the key priorities in the Corporate Plan. The Council has completed two reviews that were specifically targeted at achieving cost reduction; a review of the Council's venues and a review of cutting bureaucracy. Review programmes will continue to be used to contribute to the delivery of the key priorities in the Corporate Plan and will contribute to the achievement of further efficiencies as well opportunities for partnership working and external funding.

The Council seeks continuous improvement in the service it provides and will continue to make investment in operational change where this leads to improved services at the same or lower cost. The Council operates a flexible approach to service delivery with some skills and expertise being retained in-house and some bought in from the private sector. The Council recognises the risks that a traditional 'silo-based' approach to service delivery will not lead to gains in efficiency and is developing operational service delivery around a customer services division. The Council has implemented a customer contact centre through business process change. The customer service function is supported by a number of teams providing specialist advice and is already a driver for improvement in environmental and street-care services. This customer focused approach provides a framework within which the Council will move resources into front-line services.

The Council will continue to invest in new technology to improve access to services and to achieve operational efficiencies. The additional funding from Planning Delivery Grant is providing the opportunity to invest in the planning service to achieve more efficient and effective methods of service delivery. Investment in new technology is being made in other areas such as finance, revenues and benefits where there are high numbers of transactions.

The Council has established a projects and procurement division and will continue to enhance staff skills to deliver a modern Procurement Strategy. The Council has implemented innovative approaches to some of its main contracts. The Council has a good track record for networking and sharing knowledge and ideas, e.g. it is represented on the Inter-Authority Group and subscribes to the National Local Government Network. The Council has particularly strong networks with other Councils and will continue to look at opportunities for joint service delivery, e-procurement partnerships, etc. to achieve cost reduction.

The Council will continue to develop its performance management framework to provide more timely and relevant performance information. Key Service Priorities will be used by councillors to achieve service improvement and budget targets. Risk management techniques will also be used to achieve project objectives and reduce the likelihood of cost and time overruns on major projects.

The Council will complete a full update of its HR Strategy early in 2006 and has made a commitment to achieve a workforce that has the capacity, skills and motivation to deliver the Corporate Plan. The Council will continue to use its competency framework and staff appraisal process to develop the skills of existing staff. It will continue to recruit new staff with skills needed to deliver more efficient and effective services.

Councillors have demonstrated their commitment to the priorities in the Corporate Plan and to the achievement of Key Service Priorities. They are fully aware of the need for efficiency gain if they are to maintain their council tax policy whilst enhancing services prioritised by residents. Staff will undertake a learning and development programme, elements of which will also cover councillor training. This will increase the Council's capacity to manage the process of organisational change. The Council is committed to achieving significant further efficiency gains over the next two years and has backed this up by challenging targets in its financial plans.

#### Key actions in 2006/07

1. Achieve budget savings targets for management efficiency savings in 2006/07 and agree specific savings for 2007/08 as part of the budget process.
2. Meet 2006/07 budget savings targets for venues. Prepare or update detailed business and investment plans for each venue with a savings target in 2007/08 as part of the budget preparation process.
3. Disposal of surplus properties generating £1 million receipts to reduce property maintenance and operational costs (including providing the same services from fewer properties).

4. Implement actions for the new Asset Management Plan 2006 (including property reviews and energy efficiency surveys)
5. Achieve e-government investment programme including enhanced integration and an upgrade of the financial management system
6. Implement Procurement Strategy action plan, including e-tendering and e-procurement
7. Implement Human Resources Strategy, including Learning & Development Strategy to increase organisational capacity
8. Implement first stages of Best Value Review of Customer Contact action plan
9. Investment in systems providing efficiency in delivery and improved access to planning services funded from Planning Delivery Grant

	Expected annual efficiency gains (£)	...of which cashable (£)
Adult social services	134,000	134,000
	<p><b>Strategy:</b> The Council provides the following services for the elderly; three social centres, a meals-on-wheels service and a transport (route-call) service. The Council is implementing a Best Value review improvement plan to provide the same or improved services from fewer venues and to achieve a reduction in the subsidy for this service.</p> <p><b>Key actions:</b> 1. Achieve budget savings targets for 2006/07 following investment at Longmead Day Centre and closure of The Cedars  2. Evaluate options for partnership provision of day centre services  3. Review Route-call operations and costs as part of 2007/08 budget review</p>	
Children's services	0	0
	<p><b>Strategy:</b></p> <p><b>Key actions:</b></p>	
Culture and sport	30,000	30,000
	<p><b>Strategy:</b> A major capital investment was made in a new leisure centre two years ago which is managed by a leisure trust. This has reduced operating and management costs for leisure services. The Council has agreed cost reduction targets for some of its main venues following Best Value review and will deliver reductions in subsidy between 2004 and 2008. The Council will also prioritise investment in its backlog property maintenance programme to ensure properties are fit-for-purpose and to reduce on-going repairs on venues used.</p> <p><b>Key actions:</b> 1. Complete restructure with appointment of Head of Venues  2. Delivery of budget savings targets set for 2006/07 (including Ebbisham Centre subsidy reduction of £30,000)  3. Submit investment proposal for Bourne Hall consistent with achieving budget targets during the year  4. Complete 2006/07 prioritised property backlog maintenance and repair programme  5. Update Business Plans for Venues as part of 2007/08 budget review</p>	

Environmental services	0	0
	<p><b>Strategy:</b> The Council is re-engineering environmental services to enable more resources to be placed on front line service delivery and to reduce management costs in future years. Planning Delivery Grant is being used to invest in new technology to reduce planning / administrative costs in future years.</p> <p><b>Key actions:</b> 1. Implementing changes to service management 2. Capital investment in scanning of records</p>	
Local transport (highways)	0	0
	<p><b>Strategy:</b></p> <p><b>Key actions:</b></p>	
Local transport (non-highways)	0	0
	<p><b>Strategy:</b></p> <p><b>Key actions:</b></p>	
LA social housing (capex)	0	0
	<p><b>Strategy:</b> The Council is working with the main RSL in the borough to achieve more efficient use of facilities for the disabled funded by DFG to offset the significant increase in grant eligibility.</p> <p><b>Key actions:</b></p>	
LA social housing (other)	20,000	20,000
	<p><b>Strategy:</b> The Council has transferred its housing stock reducing the scope for efficiency savings on service delivery. The Council has invested in a new housing system to improve efficiency and manage additional responsibilities.</p> <p><b>Key actions:</b> 1. Implement revised Housing Management structure from April 2006</p>	
Non-school educational services	0	0
	<p><b>Strategy:</b></p> <p><b>Key actions:</b></p>	
Supporting people	0	0
	<p><b>Strategy:</b></p> <p><b>Key actions:</b></p>	
Homelessness	0	0
	<p><b>Strategy:</b> The Council is working on a range of housing initiatives to reduce the need for temporary accommodation and to achieve no use of bed and breakfast.</p> <p><b>Key actions:</b> 1. Effective application of ODPM homelessness grant</p>	
<b>Other cross-cutting efficiencies not covered above</b>		
Corporate services	51,000	51,000
	<p><b>Strategy:</b> The Council has reviewed its senior management structure and strengthened its corporate capacity in areas that will have most impact on service delivery (customer services, projects and procurement). The Council regularly reviews the services it provides and the methods of service delivery. Decisions taken as part of the budget process will reduce staff in corporate divisions. Directors will review all staff turn-over and look at opportunities for efficiency savings as well as improvements in service delivery. The Best Value Review of Cutting Bureaucracy Improvement Plan identifies actions needed to achieve savings in corporate costs. The Council will continue to review opportunities for savings through partnership and</p>	

	<p>joint working.</p> <p><b>Key actions:</b> 1. Deliver cost reductions included in 2006/07 staff budget  2. Review staffing and identify potential savings as part of 2007/08 estimates process  3. Streamline performance management and Best Value review process  4. Implement HR Strategy and Learning &amp; Development Programme  5. Achieve electronic government investment targets</p>	
Procurement	50,000	50,000
	<p><b>Strategy:</b> The Council has re-organised its operational services to establish a Projects and Procurement Division to achieve significant improvements in the delivery of capital investment programmes and to modernise its corporate approach to procurement. A more strategic approach will continue to be applied to purchasing goods and services with assessments made of alternative approaches to service delivery including initiatives such as joint working and e-procurement. Targets for savings from procurement have been agreed following best value review.</p> <p><b>Key actions:</b> 1. Implement procurement strategy action plan  2. Monitor &amp; report using Procurement Performance Indicators  3. Evaluate options for automated procurement system and prepare business case for investment  4. Train staff in use of procurement toolkit to assist best practice  5. Implement changes to agency procurement</p>	
Productive time	20,000	0
	<p><b>Strategy:</b> The Council's performance management system provides clear priorities to assist 'corporate productivity'. Investment in IT systems and the customer contact centre will increase productivity and release staff time for more effective service delivery.</p> <p><b>Key actions:</b> 1. Deliver programmed transfer of services to customer contact centre  2. Deliver e-government IT capital investment programme  3. Use of PDG to invest in planning service  4. Complete post implementation review of Document Management System in Revenues and Benefits as a basis for reviewing roll-out options.  5. Upgrade Financial Management Systems to improve reporting and direct access to financial information</p>	
Transactions	40,000	20,000
	<p><b>Strategy:</b> A reduction in transaction costs is being achieved through the procurement strategy, through changes in service contracts and through investment in new technology with more automated processes.</p> <p><b>Key actions:</b> 1. Deliver e-government IT capital investment programme  2. Extend use of purchasing cards</p>	
Miscellaneous efficiencies	22,000	22,000
	<p><b>Strategy:</b> Review property holdings and dispose of surplus property to generate £1 million per annum in capital receipts (for investment or treasury management purposes) and to reduce the level of backlog repairs.</p> <p><b>Key actions:</b> 1. Achieve disposal and investment targets in Asset Management Plan</p>	
<b>Total</b>	<b>367,000</b>	<b>327,000</b>