

CABINET

17 May 2007

SCRUTINY REVIEW – GERSHON EFFICIENCY SAVINGS

REPORT OF PRINCIPAL SCRUTINY COMMITTEE

Contact Officer: Jacky Adams Tel No: 01962 848356

RECENT REFERENCES

PS 264: Scrutiny Review – Efficiency Savings (Principal Scrutiny Committee – 15 January 2007)

PS 281: Scrutiny Review – Gershon Efficiency Savings (Principal Scrutiny Committee – 26 March 2007)

EXECUTIVE SUMMARY:

All local authorities have been asked by the Government to find year on year efficiency savings of 2.5% in 2005/06, 2006/07 and 2007/08.

As part of its work programme for 2006/07, the Principal Scrutiny Committee set up an Informal Scrutiny Group to undertake a review looking at the approach being taken by the Council to identify and achieve these savings.

The full report of the Informal Scrutiny Group setting out the process used and the evidence gathered through the review is attached to report PS281 and should be read in conjunction with this report.

In summary, the review recognised that the Council was in line to meet its savings targets to the end of 2006/07, with a strong bias towards 'cashable' rather than 'non-cashable' savings. It identified some areas where efficiency savings were being achieved more slowly than had originally been planned and welcomed the proposal to create a 'change team' to give more impetus to the process.

The Principal Scrutiny Committee welcomed the work of the Group and agreed to make a number of recommendations to Cabinet to help drive forward this process. These recommendations are set out in the appendix to this report. It also agreed that it would be responsible for scrutinising the Council's work on efficiencies and progress made to achieve target savings.

RECOMMENDATIONS:

1. It is recommended that
 - a) That the Principal Scrutiny Committee be thanked for its valuable work on this important issue.
 - b) That, when allocating Portfolio Holder responsibilities for 2007/08, the Leader considers the recommendation from Principal Scrutiny Committee that responsibility for driving forwards the efficiency programme be given to the Portfolio Holder with responsibility for performance, to ensure that attention is given to 'value for money' rather than being focused primarily on financial targets.
 - c) That the Leader, in consultation with the Chief Executive, considers the remaining recommendations of the Principal Scrutiny Committee and responds to that Committee no later than its meeting on 19 November 2007.

Relevance to Corporate Strategy

The 2007 – 2012 Corporate Strategy also identifies an 'Efficient and Effective Council' as one of its key aims.

Resources

There are no specific resource requirements identified in this report.

Background Documents

Notes of meetings of the Informal Scrutiny Group and papers circulated to the Group as held by the Head of Democratic Services

Appendix: Gershon Efficiencies Savings Review – Recommendations.

Principal Scrutiny Committee recommendations to Cabinet

That it be recommended to Cabinet that:

2.1 responsibility for driving forward the efficiency programme be transferred from the Portfolio Holder for Finance and Resources to the Portfolio Holder for Performance and Communication, to ensure that attention is given to 'value for money' rather than being focused primarily on financial targets;

2.2 both Cabinet and Corporate Management Team continue to give strong leadership in support of more efficient working, with an increased emphasis on better working practices (removing duplication and streamlining processes), in addition to the current emphasis on direct cost savings;

2.3 formalised project plans are drawn up, using the Council's project management system, for implementing all elements of the 2010 programme, with these to be in place no later than end July 2007;

- as part of the project plan relating to the efficiencies element of the 2010 programme, particular attention is given to identifying any investment required to achieve sustainable efficiency savings;
- as part of the project plan relating to the current round of organisational development, the outcomes from the changes are clearly identified, with monitoring systems in place to check that they are delivered;

2.4 the proposed 'change team' looking at efficiencies is given a remit that goes beyond achievement of efficiency savings required to meet Gershon targets, to enable it to also identify areas where more fundamental change to services is required. As part of its remit, this team also be asked to;

- put in place a delivery plan to implement the agreed Efficiency Strategy as soon as possible;
- look at the possibility of introducing 'value for money' assessments on the lines used by Fareham Borough Council;
- put in place an incentive scheme, possibly linked to the 'Alfie' awards, to encourage staff to identify and implement more efficient working practices;

2.5 that all service reviews are selected to help drive efficiency and include consideration of value for money being achieved by the service or area under review;

2.6 wherever possible, performance monitoring reports to include relevant benchmark information and information on unit costs and how they compare to 'industry standards';

2.7 progress with improving interfaces between key Council IT systems, in particular in the Customer Service Centre, be kept under review to ensure that current double entry of data is stopped as soon as possible.