

ANNUAL EFFICIENCY STATEMENT – BACKWARD LOOK 2005/06**1. INTRODUCTION**

- 1.1 The Council is required to submit 2 Annual Efficiency Statements (AES) per year – one looking at proposed actions for the forthcoming year, the other looking back at what was achieved in the previous year. The 'Forward Look' statement for 2005/06 was submitted in April 2005. This paper covers the 'Backward Look' for 2005/06, which will need to be submitted by 6 July.

2. STRATEGY FOR SECURING EFFICIENCY GAINS

- 2.1 NFDC is an excellent Authority (CPA) and has previously been awarded Beacon Council status for Tax and Benefits, Tourism and Recycling. In addition, the Authority's Asset Management Plan and Capital Strategy was assessed as good and the Housing Strategy and Business Plan have been classified as fit for purpose. In part, these successes have been achieved through continual review of the Council's operations and implementation of improvements in work practices.

The Council has for many years operated a four year rolling financial strategy, linked to its Corporate Strategy and fully integrated with the service planning process. This annual process has required the Authority to identify efficiency savings, in order to enable the introduction of new initiatives and the management of council tax increases.

The Council's expenditure planning/budgeting process is ideally suited for identifying cash backed efficiencies, which are incorporated into the detailed budgets and closely monitored during the financial year. The Council will continue to use this process to identify all budget variations but will supplement the existing work by using the AES to record all efficiency savings.

The Council is adopting a strategic approach to the efficiency challenge. This involves building on the existing partnership arrangements that the Council has in place, such as the pioneering Test Valley Partnership, partnership arrangements with the Regional Coastal Service and more recently with the new National Park Authority for the New Forest alongside the development of wider consideration of delivery options through the procurement agenda. In addition, the Council will use e-technology to its maximum potential and will seek to maximise opportunities through rationalisation of back office functions.

The Council is also developing an Efficiency and Improvement Strategy.

3. EFFICIENCY TARGET

- 3.1 The efficiency target for the Authority is £690k per annum, resulting in a total target of £2.07m by 2007/08. Efficiencies identified in this statement for 2005/06 total £645,680. Together with efficiencies identified and previously submitted for 2004/05 (cashable and non cashable) the total identified to date is £1,044,339. While this is ahead of the target figure of £690k by the end of 2005/06, the Authority must not become complacent. All savings need to be sustained until the end of 07/08. As an example if sickness levels should increase then the previously reported saving would be removed.

4. FORMAT

- 4.1 The format of the document is prescribed by the Department for Communities and Local Government and is attached as appendix 1.

As this format is not adaptable for our own needs and, efficiencies included are not very detailed in the prescribed format, additional information is attached as appendix 2, which Members would recognise largely as items previously reported as part of expenditure plans.

5. ENVIRONMENTAL IMPLICATIONS

- 5.1 Any environmental implications would have been considered as part of the expenditure plan exercises of the Portfolios contributing to the efficiency gains.

6. FINANCIAL IMPLICATIONS

- 6.1 Any financial implications would have been considered as part of past expenditure plan exercises.

7. PORTFOLIO HOLDER'S COMMENTS

- 7.1 The Portfolioholder, Policy and Resources, is pleased to note that the various processes for achieving efficiencies in the organisation are not only benefiting the residents of the New Forest but are currently resulting in efficiencies in excess of the target figure set in the Annual Efficiency Statement.

8. RECOMMENDATIONS

- 8.1 Members are recommended to approve the 2005/06 Backward Look AES for submission to the Department of Communities and Local Government.

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Background Papers:

Annual efficiency statement - 200506 backward look

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Key actions undertaken to achieve efficiency gain

The Council has been refining its approach to the annual efficiency agenda since its inception and it now is one of the building blocks of its strategic service management approach under the leadership of the Director of Resources. Based on the experience to date the Council is now actively introducing systems, which set 'efficiency' at the heart of its day to day management processes.

Specific key actions that have been taken during the year are described in the individual sections of the table below.

Title	Ongoing gains sustained from 2004/05 (£)		Further gains achieved in 2005/06 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2005/06 (£)		Related links
	Total gains	...of which cashable(£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	
Adult social services	0	0	1,920	1,920	1,920	1,920	1,920	1,920	
2005/06 Primary quality cross check									
Quality cross check							2004/05	2005/06	Quality cross check met?
Non-approved indicator (enter 0 in 2004/5 and 1 in 2005/6 and explain in the text box)							0	1	Yes
Previous primary quality cross check (if different)									
Previous primary quality crosscheck							2004/05	2005/06	Quality cross check met?
No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)							0	0	Yes
Overarching key actions taken: Implement admin services staffing changes									
Overarching quality crosscheck information: In spite of the annual efficiencies reported the number of meals on wheels has increased from 48,800 in 04/05 to 51,240 in 05/06, without detrimental effect on quality.									
Children's services	0	0	0	0	0	0	0	0	
2005/06 Primary quality cross check									
Quality cross check							2004/05	2005/06	Quality cross check met?
No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)							0	0	Yes
Overarching key actions taken:									
Overarching quality crosscheck information:									

Culture and sport	3,797	3,797	102,630	102,630	102,630	102,630	106,427	106,427		
	2005/06 Primary quality cross check									
	Quality cross check				2004/05	2005/06	Quality cross check met?			
	Uptake of service by participants/visitors				1.23	1.26	Yes			
	<p>Overarching key actions taken: Implement admin services staffing changes Complete revenue generating capital projects</p> <p>Overarching quality crosscheck information: Total uptake of leisure facilities by service users</p>									
Environmental services	5,431	5,431	20,820	20,820	20,820	20,820	26,251	26,251		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Percentage sum of household waste arisings that have been: (a) sent by the Authority for recycling (BV82a i); (b) sent by the Authority for composting or treatment by anaerobic digestion (BV82b i); and (c) used to recover heat, power and other energy sources (BV82c i)						24.57	25.26	Yes	
	<p>Overarching key actions taken: Withdraw from lease financing of vehicles Increase recycling and sale of recycled materials</p> <p>Overarching quality crosscheck information: Indicator shown is in respect of household waste recycled. Information is also available for other performance indicators</p>									
Local transport (highways)	0	0	5,200	5,200	5,200	5,200	5,200	5,200		
	2005/06 Primary quality cross check									
	Quality cross check			2004/05	2005/06	Quality cross check met?				
	No cross check selected									
	<p>Overarching key actions taken: Implement Grounds Maintenance staffing changes</p> <p>Overarching quality crosscheck information:</p>									
Local transport (non-highways)	0	0	0	0	0	0	0	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)						0	0	Yes	

	Overarching key actions taken:									
	Overarching quality crosscheck information:									
LA social housing (capex)	0	0	0	0	0	0	0	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)						0	0	Yes	
	Overarching key actions taken:									
	Overarching quality crosscheck information:									
LA social housing (other)	45,165	45,165	22,000	22,000	22,000	22,000	67,165	67,165		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Non-approved indicator (enter 0 in 2004/5 and 1 in 2005/6 and explain in the text box)						0	1	Yes	
	Overarching key actions taken: Incorporate smoke detector servicing within gas servicing contract									
	Overarching quality crosscheck information: The local performance indicator for urgent repairs completed within local time limits has improved from 95% to 98%									
Non-school educational services	0	0	0	0	0	0	0	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)						0	0	Yes	
	Overarching key actions taken:									
	Overarching quality crosscheck information:									

Supporting people	0	0	0	0	0	0	0	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)						0	0	Yes	
	Overarching key actions taken:									
Overarching quality crosscheck information:										
Homelessness	0	0	0	0	0	0	0	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)						0	0	Yes	
	Overarching key actions taken:									
Overarching quality crosscheck information:										
Other cross-cutting efficiencies not covered above										
Corporate services	0	0	90,580	90,580	90,580	90,580	90,580	90,580		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Investors in People accreditation achieved (0=Not achieved, 1=Achieved)						1	1	Yes	
	Previous primary quality cross check (if different)									
	Previous primary quality crosscheck						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)									
	Overarching key actions taken: Implement staffing changes for ICT, Accountancy, Property Services, Valuers and Admin Services Continue ICT modernisation programme									
Overarching quality crosscheck information:										

Procurement	10,106	10,106	42,600	42,600	42,600	42,600	52,706	52,706		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Corporate procurement strategy in place and/or updated in the last year (0=No, 1=Yes)						1	1	Yes	
	Overarching key actions taken: Re-negotiate ICT maintenance contracts Implement joint procurement for fuel supply, vehicle replacement and vehicle repairs Overarching quality crosscheck information:									
Productive time	123,947	0	0	0	0	0	123,947	0		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Working days lost to sickness absence (BV12)						8.4	8.3	Yes	
	Overarching key actions taken: Overarching quality crosscheck information:									
Transactions	0	0	100,000	100,000	100,000	100,000	100,000	100,000		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
	Percentage of Council Tax collected (BV9)						98.5	98.55	Yes	
	Previous primary quality cross check (if different)									
	Previous primary quality crosscheck						2004/05	2005/06	Quality cross check met?	
	No efficiency gains to be reported in this sector, (enter 0 in 2004/05 and 0 in 2005/06)									
Overarching key actions taken: Implement Tax and Benefits Staffing Changes Overarching quality crosscheck information:										
Miscellaneous efficiencies	210,213	210,213	259,930	259,930	259,930	259,930	470,143	470,143		
	2005/06 Primary quality cross check									
	Quality cross check						2004/05	2005/06	Quality cross check met?	
Overall CPA score (0=Poor, 1=Weak, 2=Fair, 3=Good, 4=Excellent)						4	4	Yes		

	Overarching key actions taken: Implement new building cleaning contracts Implement dog warden contract Implement civil contingencies act contract Implement Environmental Health, Engineering and Grounds Maintenance staffing changes Withdraw from lease financing of vehicles Implement planning expenditure review Complete revenue generating capital projects Overarching quality crosscheck information:								
Total	398,659	274,712	645,680	645,680	645,680	645,680	1,044,339	920,392	

ANALYSIS OF CUMULATIVE SAVINGS (Backward Look)

	2004/05	2005/06	TOTAL
	£	£	£
ADULT SOCIAL SERVICES			
Catering Admin (Sheltered)		1920	
CULTURE AND SPORT			
Funding of Equipment(loan v lease)	-4230	-620	
AHLC Lighting Replacement	2050		
Ringwood HLC Squash Court Conversion	5900	7000	
Community Services Admin		11500	
Catering Admin (Recs/Dibden)		10700	
RHLC Emer Lighting replacement (ongoing energy savings)		2050	
LHLC Phase 2 net income		40000	
DGC income from power tee		13400	
AHLC Squash Court conversion		7500	
AHLC-Fitness Suite Refurb		11100	
ENVIRONMENTAL SERVICES			
Funding of Vehicles(loan v lease)	5320	7820	
Project Integra Income		9000	
Addit income from recycling credits		4000	
LOCAL TRANSPORT			
Grounds Mtce Salary savings		5200	
LA SOCIAL HOUSING			
Housing Admin post	9860		
Mortgage Administration	4540		
Ass Director Housing	29840		
Smoke Detector Servicing		22000	
CORPORATE SERVICES			
ICT Salary savings		22000	
Accountancy		23000	
Property Services Restructuring		35000	
Valuers Salaries		7200	
Catering Admin (Pantry)		3380	
NFNPA	27140		
PROCUREMENT			
Joint Tender Vehicle Replacement	4600	4600	
Copier Paper Contract Price/Standardisation	4000		
Computer Consumables/Jt Procurement	1300		
ICT 3rd party mtce costs		25000	
Fuel supply HCC contract		4500	
Vehicle Spares Joint Tender		5000	
Joint Tender Furniture		3500	

PRODUCTIVE TIME

Reduction in sickness levels	121410	
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TRANSACTIONS

Tax and Benefits Review		100000
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MISCELLANEOUS EFFICIENCIES

Locking public conveniences	10000	
Boat Licences Additional Income	1900	
Asst Director Technical Services	56130	
Funding of Vehicles(loop v lease)	14180	12020
Trees Team	17560	
Building Control Income	40000	
Abandoned Vehicles	14000	
Democratic Process Print/Supp	15000	
Grant Finder Partnership	10000	
Emergency Planning		5000
Planning Delivery Services		48000
Planning Delivery Services		60000
Restructure EHO Posts		11000
Delete Engineering Technician Post		14690
Fees from Additional Beach Huts		2350
Building Cleaning Contracts		10800
Emergency Planning		25670
Dog Warden Contract		68000
Grounds Maintenance Salary Savings		2400

Inflation Adjustment	8159	
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TOTAL	398659	645680	1044339
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