

Report

Report to:	Risk and Audit Scrutiny Committee
Date of Meeting:	14 November 2018
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Efficiency Statement 2017/2018
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide the Committee with the Council's Efficiency Statement submitted to COSLA for 2017/2018.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):

- (1) that the Efficiency Statement figure of £19.653 million for 2017/2018, be noted; and
- (2) that it be noted that this Efficiency Statement was returned to COSLA, in line with timescales set, by 17 August 2018.

3. Background

- 3.1. Efficient Government is a concept South Lanarkshire Council has been committed to for many years. Since 2006/2007, the Scottish Government has required councils to publish an annual Efficiency Statement. The aim of these statements is to add to local accountability around the efficiency process and contribute to the sharing of best practice.
- 3.2. Continued financial pressure and increased focus on changing the way that services are delivered make the identification and delivery of efficiency savings even more vital. The efficiency savings programme is core to the financial strategy.
- 3.3. Looking forward, the Council's Revenue Budget Strategy for 2019/2020 indicates the level of savings required to balance the budget.
- 3.4. The purpose of this report is to provide information on the Council's efficiencies achieved in 2017/18, the detail of which is shown in section 5 below.

4. Employee Implications

4.1. None.

5. Efficiency Statement

- 5.1. As part of the Scottish Government Efficiencies Agenda, councils are asked to return information on the level of efficiencies generated in the year. In classing a saving as an 'efficiency', there are a number of rules which must be adhered to, for example, Income Generation cannot be included nor can any savings which are a Reduction or Removal of service provision.

- 5.2. To prepare the efficiency statement for 2017/2018, the savings that were achieved for 2017/2018 is taken as the starting position. This is then reduced to remove any savings which are not considered efficiencies achieved in the year.
- 5.3. In addition, efficiencies identified through corporate procurement practices are also included as efficiencies (£2.740 million) as well as the efficiencies identified by the Lanarkshire Valuation Joint Board (£0.492 million).
- 5.4. Table 1 below shows the total efficiencies realised in 2017/2018, being £19.653 million, across Resources and the Lanarkshire Valuation Joint Board. It is also detailed on a separate Statement in Appendix A.

Table 1

	Efficiencies achieved in 2017/18
	£m
Community and Enterprise	5.909
Education	0.856
Finance and Corporate	2.950
Housing and Technical	1.670
Social Work	0.939
Centre	4.097
Procurement	2.740
LVJB	0.492
Total inc. Procurement and LVJB	19.653

- 5.5. The corporate procurement efficiencies of £2.740m shown above, are added to procurement efficiencies of £0.831m included within the Resource and LVJB figures to give total reported procurement efficiencies of £3.571m, as noted in Appendix A.
- 5.6. The Council continues to recognise an ongoing requirement to demonstrate efficiency, with continuous improvement remaining a key principle of Best Value.
- 5.7. The Efficiency information was returned to COSLA by the deadline of 17 August 2018. The Statement is included in Appendix A.

6. Financial Implications

- 6.1. The figure for Efficiencies for 2017/2018 is noted as £19.653m with the details contained in section 5.

7. Other Implications

- 7.1. The main risk associated with the presentation of the efficiency figure is that it includes in the reported Efficiency Savings information, a figure which is not eligible to be presented as an efficiency. This risk is mitigated by the regular review of their achievement carried out by Resources and the consideration of all savings by Finance Services as part of the budget monitoring process.
- 7.2. There are no implications for sustainability in terms of the information contained in this report.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. There is no requirement to carry out an impact assessment in terms of the information contained within this report.
- 8.2. The statement has been prepared based on detailed consultation with individual Resources.

Paul Manning

Executive Director (Finance and Corporate Resources)

19 September 2018

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee, 30 August 2017

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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CONFIRMATION OF EFFICIENCIES DELIVERED IN 2017-18

1	Local Authority Name	South Lanarkshire Council
2	Total cash efficiency achieved for 2017-18 £'000	£19.653m
3	<p>Summary of efficiency activity e.g.</p> <p>The main initiatives the local authority has taken over the year to ensure a strategic approach to increased efficiency and productivity and the improvements achieved in these areas.</p> <p>The main information that the local authority uses to assess productivity, service quality and performance and how the scope, usefulness or reliability has been improved during the year.</p> <p>Specific steps the local authority has taken during the year to improve collaboration and joint working to deliver efficient and user-focussed services and the improvements achieved.</p>	<p>As part of the budget preparation exercise, the Council formally agreed the level of savings for each Resource for the year ahead. These were supported by detailed explanations which enabled them to be monitored and reported during the year. Examples of efficiency savings include:</p> <ul style="list-style-type: none"> • Reviews of management and staffing structures • Cross-Resource review of service provision • Procurement savings <p>In accordance with the requirements of the Community Empowerment (Scotland) Act 2015, the South Lanarkshire Community Planning Partnership's Local Outcomes Improvement Plan entitled the "Community Plan" was approved by the Community Planning Partnership Board and published in October 2017. The Plan sets out the priorities and outcomes for the Community Planning Partnership over a 10 year period from 2017-2027. The Community Plan is underpinned by Partnership Improvement Plans (PIPs). The PIPs are detailed action plans which include performance measures and related interventions for each of the Partnership's key thematic areas over a three year period from 2017-2020.</p> <p>The Council benchmarks its performance, where appropriate, and uses the results to consider any improvements. Into 2018/19 the Council is continuing its involvement with the Local Government Benchmarking Framework (LGBF).</p> <p>The Council's Performance Management Framework is supported by a range of customer consultation information and feedback, which helps inform service planning and delivery. The Council has, for many years, retained its status as an Investors in People organisation, and recently received the silver award assessed</p>

		<p>against the Generation Six framework. This reflects the continued commitment to ensuring employees are provided with the skills and expertise necessary to deliver high quality services. There continues to be a range of services which are accredited with Customer Service Excellence and all have a number of compliance plus components in their awards. These are all underpinned by what is regarded as a very strong Corporate application.</p> <p>The Council is the lead authority for the Lanarkshire Valuation Joint Board (LVJB). It can, therefore, be noted that the Council efficiencies figure of £19.653m reported for 2017/2018 includes efficiencies generated in the year by the LVJB which total £0.492m.</p>
4	Breakdown of efficiency saving by Procurement, Shared Services or Asset Management £'000 (only where relevant – not all efficiencies will fall into these categories, so the figures here do not have to match the overall total.	Procurement = £3.571m
		Shared Services = £0.000m
		Asset Management = £1.785m
5	Evidence: What performance measures and/or quality indicators are used to ensure that efficiencies were achieved without any detriment to services?	The Council continues to monitor a variety of performance measures to confirm that efficiencies has been delivered without any detrimental effect to services. These include KPIs and the LGBF, the Customer Complaints process, SLA monitoring, continued achievement of Customer Excellence Awards, achievement of national targets, level of service standards maintained, Customer Satisfaction surveys, Care Inspectorate reviews and HMIE report results.

Signed (Chief Executive or equivalent)

Signed (if applicable)..... (Council Leader or equivalent)

Date