

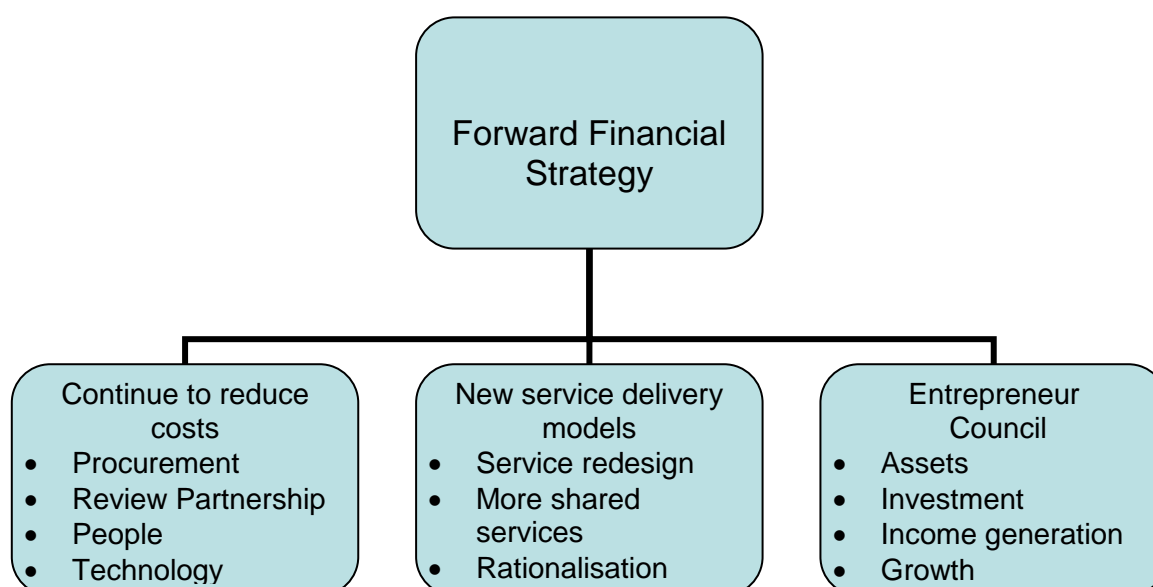
EFFICIENCY PLAN 2016/17 – 2019/20

1 INTRODUCTION

- 1.1 This Efficiency Plan has been produced in response to the Secretary of State’s offer in March 2016 for a four-year Finance Settlement covering the period 2016/17 to 2019/20. The offer covers guaranteed minimum levels of Revenue Support Grant for this period.
- 1.2 The Efficiency Plan sits between the joint East Suffolk Business Plan and the individual Medium Term Financial Strategy (MTFS) of both Waveney and Suffolk Coastal District Councils. The Efficiency Plan is effectively a brief overarching document, outlining how the key Business Plan objective of Financial Self Sufficiency will be delivered in the medium-term.
- 1.3 The vision of the East Suffolk Business Plan is to “Maintain and sustainably improve the quality of life for everybody growing up, living in, working in and visiting East Suffolk”.
- 1.4 In order to ensure the effective delivery of the Business Plan and the shared vision for East Suffolk, the Councils will adopt a three-pronged strategy of Enabling Communities; promoting Economic Growth; and becoming Financially Self Sufficient. The following sections of this Plan briefly outline the journey of the councils towards this third objective over the next few years.

2 FINANCIAL SELF SUFFICIENCY

- 2.1 The key elements in the Council’s forward financial strategy to move towards Financial Self Sufficiency are illustrated in the chart shown below:



- 2.2 Within this overall strategy, both councils are applying a “**Review; Remodel; Reinvent**” approach to all services, functions, and processes, pursuing a range of projects and programmes which can be broadly categorised as external projects and strategic partnerships; and internal projects.

3 EXTERNAL PROJECTS AND STRATEGIC PARTNERSHIPS

- 3.1 **Devolution** – One of the most important external areas currently being progressed is development of the Government’s Devolution initiative. The public sector in Suffolk and Norfolk, including Waveney DC and Suffolk Coastal DC, are taking a “whole system” approach, working together to negotiate with Government for greater powers over public spending in Suffolk, including healthcare, policing, and other services. We are also looking towards increased powers for economic development and the improvement of education and skills for our residents. A link to the East Anglia Devolution website providing more information is shown below:

<https://www.eastangliadevo.co.uk/>

- 3.2 Both councils always consider the possible benefits of entering into a partnership when assessing the best way of delivering services or projects. The Council has a number of strategic service delivery partnerships, either through third parties, or joint arrangements with local authorities, and is progressing the development of more, including the following:

Third Parties:

Norfolk County Council - Norse Commercial Services Limited (NCS) and its subsidiaries: - Waste Control, Sports Grounds, Cemeteries, Parking, Parks and Open Spaces, Public Conveniences, CCTV, Beach Management, Waste Management and other Operational Services.

Sentinel Leisure Trust: - Leisure and Culture portfolio

Marina Theatre Trust: - Management and operation of Marina Theatre, Lowestoft

Joint Arrangements:

Joint Emergency Planning Unit: - Emergency Planning services for Suffolk County Council, St Edmundsbury Borough Council, Babergh, Forest Heath, Mid-Suffolk, Waveney and Suffolk Coastal District Councils.

Internal Audit partnership: - Internal Audit services for Suffolk Coastal, Waveney, and Ipswich councils.

Anglia Revenues Partnership: - Provision of Revenues and Benefits services for Breckland, East Cambridgeshire, Fenland, Forest Heath, St. Edmundsbury, Suffolk Coastal, and Waveney District Councils.

Lowestoft Rising:- A place based approach to Suffolk’s second largest town, which ensures services are delivered in the interests of the place and local people by Waveney District Council, Suffolk County Council, Office of the Police and Crime Commissioner for Suffolk, Great Yarmouth and Waveney CCG and Community Action Suffolk.

East Suffolk Partnership: - Provides local strategic junction for East Suffolk region and is a partnership of all public, voluntary and private sector partners.

New Anglia Local Enterprise Partnership: - The New Anglia LEP works with businesses and public sector partners, to help grow jobs in Norfolk and Suffolk.

Coastal Partnership East:- Joint provision of Coastal Protection services along the East Anglia coastline, comprising Waveney, North Norfolk, Great Yarmouth, and Suffolk Coastal councils.

Building Control: - Developing partnership for the provision of Building Control services for Suffolk Coastal, Waveney, and Ipswich councils.

- 3.3 Finally, the most important strategic partnership to both councils is the shared services partnership between them both, and the potential to build on this to deliver further transformation in East Suffolk. One of the key planned actions in the Business Plan was to “Explore the options for further integration between the partner authorities for more streamlined and resilient district services, and evaluate the potential for greater East Suffolk autonomy”. To this end, a Simultaneous Cabinet meeting in July 2016 endorsed the proposal to create a new single council for East Suffolk as their preferred option. Consultation and work on this proposal is progressing, which could see a new council come into operation in April 2019, potentially delivering further transformation, and both cashable and non-cashable savings.

4 INTERNAL PROJECTS

- 4.1 In addition to external projects and partnerships, both councils have a range of internal projects, plans, and strategies that will drive ongoing performance improvement and efficiencies. The councils’ Strategic Management Team (SMT) and Heads of Service oversee and ensure the delivery of these, instilling cultural change and skills, and managing performance.
- 4.2 Key projects, plans, and strategies over the medium term include the following:

East Suffolk People Strategy – This strategy focusses on three key organisational priorities:

- Developing our People – An engaged, diverse, and skilled workforce
- Developing our Leadership – Inspirational leaders and excellent managers
- Developing our Culture – Adaptive, flexible, and innovative teams

The People Strategy gives us a clear direction in regards to the way in which we develop and empower our staff to provide a leaner, modern and affordable service that meets the needs of our customers. Through the careful and effective management and monitoring of staffing establishments, sickness absence levels, and health checks to forecast our future employment needs and challenges, managers are able to make informed decisions about their staffing needs. The People Strategy assists with increasing the efficiency and effectiveness of staffing.

From teams reviewing their resource requirements to meet the delivery needs of their service areas, this has resulted in ongoing savings in 2016/17 of almost £90k, with resources also being shared across Suffolk Coastal District Council.

Efficiency Strategy – The Efficiency Strategy was approved by Full Council in February 2016, and is intended to take advantage of flexibility in the use of capital receipts, whereby capital receipts from asset sales in 2016/17 to 2019/20 could be used to fund the one-off revenue costs of a range of transformational projects.

The projects referred to in the Efficiency Strategy are estimated in total to produce revenue savings of over £1m per annum. However, it should be noted that the Efficiency Strategy concerns the potential funding of the one-off costs of these projects, rather than delivery of the projects themselves.

East Suffolk Digital Strategy – The Digital Strategy aims to maximise the use of technology and enable electronic accessibility. The four Digital principles of the strategy are:

- Electronic – Electronic by default
- Explore – Explore new ways of working using digital and innovative technologies
- Eliminate – Eliminate duplication and processes that do not add value
- Empower – Empower customers, communities, and staff through accessible self-service functionality

Projects linked to the digital strategy, e.g. channel shift have identified to date on-going savings of approximately £100k.

Treasury Management Strategy - Continuously reviewing the Treasury Management Strategy to ensure the optimum approach to strategic corporate financing.

The Treasury Management Strategy is produced annually with the key objective referred to above. Each year as part of the Strategy, the Council needs to approve its Minimum Revenue Provision (MRP) policy. A change of policy for will save the Council over £360k per year.

Service Plans – An internal “Peer Review” approach is being taken to service plans dissecting each service plan with the respective authors to constructively challenge the purpose of the service; the outcomes that will be delivered; and how resources are, or are not, properly aligned to deliver.

Service Plans are linked to the delivery of the East Suffolk Business Plan.

Project Register – In conjunction with the Service Plan review process, testing the comprehensiveness and relevance of the various projects in the Project Register from an overarching corporate perspective.

The corporate Project Register is currently under review and development. The Project Register will link with Service Plans which are aligned to key strategic themes and assist with the delivery of the East Suffolk Business Plan.

Benchmarking - Comparing the council in VFM terms to comparable councils and other bodies.

Forecast efficiency savings resulting from Benchmarking activity are included in Service Plans above.

Income Review – Below Service Plan level, aspects of our work will be identified that are:

- Demand led or universal
- Statutory or discretionary
- Personalised or community wide
- Income generating or not
- Able to make a profit or not
- Providing wider social value or not

This approach should help to determine a mixture of strategic approaches to aspects of services e.g. preventative; divest; minimise; optimise efficiency; invest and grow; etc.

The Council's policy is to review Fees and Charges each year. The Council's key principles of increasing fees and charges are on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum, fees and charges should be increased by price inflation. The council will also review opportunities to introduce new fees as appropriate. An example of this is the introduction of charging for Green Waste in 2016 which has generated additional income of almost £1m p.a. for the Council.

Funding – A comprehensive drive will be made through the Funding Team to identify and bid for targeted grant funds to support our activities. In addition, the Council will investigate renewing ways to encourage business growth, maximising the advantages from the retention of Business Rates mechanism to generate income streams from available assets.

For 2016 the Council has secured funding of £765k to assist with the delivery of projects and initiatives, with a further £1.405m in the process of being secured.

Asset Review and Investment - Rationalising assets to provide maximum value for money in asset usage, disposal and regeneration strategy, and developing an Asset Investment Strategy with the objectives of increasing the return on investment, diversifying its investment portfolio, and promoting economic development.

Review and development of Seafront Assets is estimated to increase income to the Council by over £350k in future years.

- 4.3 Finally, a key project specific to Waveney is the **Lowestoft Community Governance Review**, which is intended to see new third-tier council arrangements in place for the unparished area of Lowestoft with effect from April 2017.

The establishment of new Lowestoft and Oulton Broad parish councils following the Community Governance Review will transfer £1m of ongoing revenue costs to these new third-tier councils.

5 MEDIUM TERM FINANCIAL STRATEGY

- 5.1 The **Medium Term Financial Strategy** (MTFS) underpins the Efficiency Plan and sets the strategic financial direction for the Council. It is regularly updated as it evolves and develops throughout the year, taking on board latest developments and trends in public finance and the wider economic environment, to form the framework for the Council's financial planning. To ensure Members have a sound basis for planning and decision making, the MTFS is reviewed and updated at key points in the year these are:
- Midyear – as a framework for initial detailed budget discussions for the forthcoming financial year;
 - January – an update to include additional information received at a national level and corporate issues identified through service planning, and the detailed budget build; and
 - February – with the final Budget for the new financial year.
- 5.2 The purpose of the MTFS is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Business Plan, over the medium term. It consolidates in financial terms all of the plans, strategies, and projects outlined in this Efficiency Plan.