



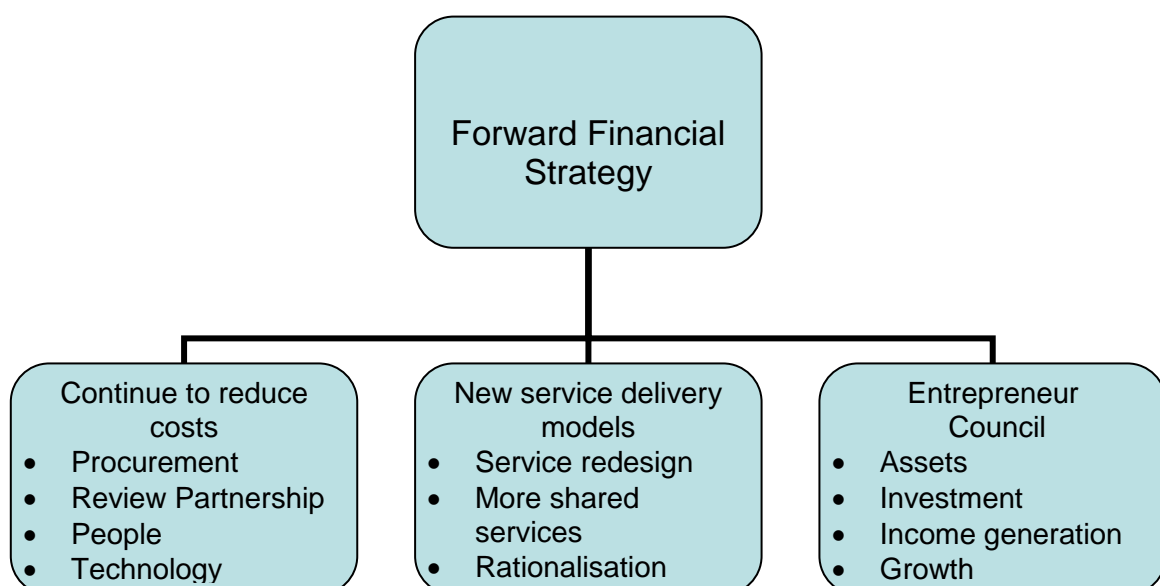
## EFFICIENCY PLAN 2017/18 – 2021/22

### 1 INTRODUCTION

- 1.1 The Council’s Efficiency Plan was originally produced last year 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 covered 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 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:**

Waveney Norse Limited Norfolk County Council - Norse Commercial Services Limited (NCS) and its subsidiaries:- Provide the District Council with a range of environmental services including street sweeping, dog warden and pest control services, abandoned vehicle removal and litter bin provision and emptying. Waveney Norse Ltd also manages the District Council's car parks.

Sentinel Leisure Trust: - Operational Partnership Portfolio

#### **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.

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 services along the East Anglia coastline, comprising Waveney, North Norfolk, Great Yarmouth, and Suffolk Coastal 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.

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

- 3.2 In January 2017, Suffolk Coastal and Waveney both resolved to dissolve and create a new Council for East Suffolk from 1 April 2019. The business case for a single council was refreshed in September 2017 and indicated that creation of a single council should enable a range of cashable and non-cashable savings to be made across what are currently two separate councils.
- 3.3 On 7 November, 2017 the Secretary of State, confirmed his backing to the proposal and issued a 'minded to' decision. Before the Secretary of State takes his final decision, he has invited representations, which closed on 8 January 2018. He will then make his final decision, which will be subject to Parliamentary approval.
- 3.4 If a final decision is received, the formal process of parliament creating the necessary laws needed to bring about a new Council will begin. It is expected for that process to conclude around April/May 2018. This then means an electoral review process can take place where the Councils will be recommending new electoral wards for the new East Suffolk Council - which will be elected to in May 2019 when the new Council will hold its first election.

#### 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, with resources also being shared across Suffolk Coastal District Council.

**Efficiency Strategy** – The Efficiency Strategy was approved by Full Council in February 2016, and updated in February 2017, and is intended to take advantage of flexibility in the use of capital receipts. The Guidance originally applied to capital receipts and projects over the period 2016/17 to 2018/19, but in the 2018/19 Provisional Local Government Finance Settlement it was announced that:

*“Local government operates in a society that is constantly changing. To meet the challenges of the future, the Communities Secretary confirmed that the flexibility to use capital receipts to help meet the revenue costs of transformation will be extended for a further 3 years to April 2022”.*

Therefore, capital receipts from asset sales in 2016/17 to 2021/22 could be used to fund the one-off revenue costs of a range of transformational projects.

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.

Following advice from the Council’s external treasury advisors Arlingclose, the Council has invested into a pooled Local Authorities Property Fund (LAPF) to increase return on investment and to also diversify the portfolio from just purely investing with banks and building societies.

**Service Plans** – Service Plans are directly linked to the delivery of the East Suffolk Business Plan and are reviewed at a corporate level to ensure the delivery of the Business Plan Actions.

**Corporate Project Register** – The comprehensiveness and relevance of the various projects to deliver the East Suffolk Business Plan is currently under review.

**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.

**Commercial Investment** - Developing a Commercial Investment Strategy with the objectives of increasing the return on investment, diversifying the investment portfolio, and promoting economic development. The draft strategy was approved by a Simultaneous Cabinet meeting in September 2017.

## 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:

- Mid-year – 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.