

Annual Efficiency Statement - Forward Look

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Strategy for securing efficiency gains

The Council's most recent Comprehensive Performance Assessment (CPA) acknowledged that its strong alignment of corporate, service and financial planning ensures it directs resources to priority areas. Furthermore whilst there is a pressure on the Council's revenue budget, its medium term financial planning provides a sound framework to make the reductions required to achieve a balanced budget by 2007/08.

As such the Council's key strategy for securing the efficiency gains set out in this Annual Efficiency Statement will be through its Medium Term Financial Planning process. Within this framework and as part of the 2005/06 Budget Strategy the authority identified a funding gap of approximately £4.5m. With the re-introduction of the capping regime and the requirement to keep the 2005/06 increase to a low single-digit figure the Executive approved a package of proposals to reduce its budget gap over the next three years. The strategy was to focus on key service pressures and priorities whilst also seeking economies and efficiencies elsewhere. The overall approach to the budget process has been to make savings of over £4m enabling further improvement and investment to be made in priority services and bridging the overall gap by £1.5m. This approach is therefore closely aligned with the Gershon principles.

The Council has demonstrated that its Medium Term Financial Planning is successful in realigning resources to meet the Council's objectives and priorities and the CPA recognised the achievements made in 2004/05 and its capacity to identify future savings.

A robust performance management and financial control system is embedded across the Council and a strong performance culture exists. The Council's ambitions set out in its 15 Medium Term Objectives are translated into specific measurable actions and targets in service and team plans, with clear links to the financial and staffing resources needed. Performance reporting is thorough. Quarterly departmental operational reports (QOR) are presented to all councillors and are comprehensive, reporting on all aspects of the performance framework including key budgetary and staffing information.

The Council's robust financial management practices will be key to identifying and delivering the efficiencies required to meet both its Gershon obligations but more significantly achieving a balanced budget over the medium term aligned with the delivery of improved and effective local services.

Key actions to be taken during the year

Under each work-stream we have highlighted the key strategies and action points that will secure the savings required of us by the Gershon Agenda. These are underpinned by the following strands.

2005/06 Budget

The Medium Term Financial Strategy looks out towards 2006/07 and 2007/08, identifying potential efficiencies and economies. The 2005/06 Budget incorporates all the "cashable" efficiency savings identified in this Statement. These savings have been through a rigorous "Budget Review" cycle and as such are considered to be necessarily robust and achievable. The test for securing these gains will be through the monthly Budget Monitoring process.

Procurement

The procurement function features prominently within the action points and the strategy for securing the Council's efficiency gains. The Council first produced a Procurement Strategy and Implementation Plan in 2003 which was externally recognised as "best-of-breed". Since the original strategy was endorsed the Corporate Procurement Team has been central in the achievement of savings totalling almost £740,000. The recently strengthened team has been set stretching targets and has been challenged to deliver year-on-year targets that will contribute significantly to the long-term funding requirements of the authority. These skills will be brought to bear in securing the gains outlined throughout the statement.

Technology

Bracknell Forest is recognised throughout the country as a technology leader, implementing innovative work in electronic service delivery, pioneering the use of web portal and smartcard technologies and establishing creative partnerships with the private sector. The coming year is a key period for the Council's e-Government programme and will see the realisation of many of the initiatives making up not only the Government's Priority Service Outcomes, but also local service delivery supporting real community needs. This will include

- Implementing a Customer Relationship Management System
- Implementing e-Procurement solutions to support Priority Service Outcomes
- Completing the legacy systems replacement project
- Introducing Electronic Document & Records Management for Social Services
- Rolling out a major upgrade to corporate office systems

Human Resources

People are the most valuable resource in our organisation. Without them we will not deliver the improvements our services need or continue to provide quality public services. We believe it is important to create an environment where the very best people are happy to work, and that people contribute their best when they have positive working experiences. Providing the right people in the right place at the right time is what enables us to best serve the needs of Bracknell Forest.

Much of the productivity gains identified within the statement will depend on recruiting and retaining appropriately skilled and motivated people. The re-shaping of services and the organisational and cultural change that will be demanded by the technological initiatives planned by the Council will only succeed with the commitment of our staff.

Asset Management

A greater emphasis has recently been placed on Asset Management within the organisation, backed up by a strengthening of the Officer-Member role within the Asset Management Group. Part of this work involves identifying the Council's long-term accommodation needs, particularly in relation to the major Town Centre regeneration, but also with a focus for identifying current needs, the impact of modern technology on working patterns and the release of resources tied up in surplus or under-utilised property assets.

	Expected annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
Adult social services	186,000			86,000
	<p>Strategy: The strategy for securing savings within Adult Services focuses primarily on the more efficient procurement of care places through negotiating lower unit costs and through a more effective mix of placements. Smarter procurement will encompass the standardisation of cost factors within provider contracts and lead to the development of Service Level Agreements.</p> <p>Identified elsewhere in the AES are significant savings within the "Productive Time" category which relate directly to Adult Social Services and reflects the mechanism of requiring departments to continue to effectively deploy staff within a cash-limited Devolved Staffing Budget (DSB). These DSBs are managed at a departmental level and do not lend themselves to separately identify savings across the work-streams.</p> <p>Key actions: Procurement has been elevated within the organisation as a key function and over the last two years significant resources have been deployed to maximising its potential. As such the Social Services and Housing Department will be combining its own internal procurement skills and knowledge base with that of the Corporate Procurement Team to deliver savings through tender-negotiation and best-practice implementation.</p> <p>The Council's recognised strength in budgetary control will ensure that the savings identified above will be secured during the year.</p>			
Children's services	20,000			20,000
	<p>Strategy: In line with the Children Act 2004 the Council will be working with its partners in the creation of a Director of Children's Services who will be accountable for local authority education and children's social services. This will encompass the development of integrated systems including co-ordinated commissioning and pooled resources. As such, efficiency gains are not expected until 2006. However during the year the Department is committed to securing £20,000 of savings from a re-positioned After Care Team and other administrative savings.</p> <p>Again significant cashable and non-cashable savings have been identified within the "Productive Time" work stream that amount to over £400,000 resulting from streamlining tasks whilst maintaining the level of support within the Strategy, Commissioning and Resource section with fewer resources.</p> <p>Key actions: The department is committed to reduce the After Care Team by 0.5fte and to restructure the Finance, Policy and Commissioning Team by 5.5 fewer posts. These savings have been incorporated within the Department's 2005/06 budget and will be monitored throughout the year.</p>			
Culture and sport	0			0

	<p>Strategy: Significant investment is being made in the Lesiure Service within the authority, particularly focused at leveraging technology within the adminisratvive function through leisure management software. Savings are expected to meterialise during 2006/07 and will be reported in future Effieciency Statements.</p> <p>Key actions:</p>			
Environmental services	450,000			231,000
	<p>Strategy: As part of the 2005/06 Budget Strategy a significant reduction in resources has been incorporated that will be delivered through the reduction in "unit-costs" and a more effective sourcing of supplies and services. This will be achieved by a rigorous review of past spending patterns and the leverage of the procurement skills being developed by the authority.</p> <p>Over £200,000 of non-cashable savings have been identified through the roll-out of various e-government initiatives primarily within the Planning function and the many recycling initiatives implemented and proposed by the authority.</p> <p>Key actions: Almost £250,000 of cashable savings were identified as part of the Budget Strategy and will be monitored as part of the authority's rigorous budgetary process. New systems and processes based on IT initiatives will enable e-efficiencies to be released within the Council's Planning function. Landfill cost savings through recycling schemes will be re-invested into additional recycling initiatives leading to longer-term efficiency gains.</p>			
Local transport	700,000	700,000	0	0
	<p>Strategy: The re-tendering of major transport investment schemes has enabled the authority to negotiate a significant non-cashable gain within the Road Repair contract. These gains have afforded a "more-for-the-same" efficiency gain that has been incorporated into the Council's Local Transport Plan.</p> <p>Key actions:</p>			
LA social housing	0	0	0	0
	<p>Strategy: Bracknell Forest is currently undertaking its Stock Options Appraisal and is reviewing the viability of retaining its stock. It is likely that significant on-going savings will be required if the "retention" option is chosen and these will be reported in future years.</p> <p>Key actions:</p>			
Non-school educational services	300,000			150,000
	<p>Strategy: The focus of the cashable efficiency savings within the non-Schools Educational Services block relates to the provision of Home-to-School Transport. The continuous review of pupil-transport contracts along with smarter procurement and rationalisation of contracts will result in estimated savings of £100,000</p> <p>Further procurement gains have been identified within the Library Service and SEN provision. A Value-for-Money review of the Mobile Library Service indicates savings of £30,000 can be achieved by re-providing the service in-house.</p> <p>Extending Youth activities into areas without permanent Youth Centres by operating a mobile youth service across the Borough will potentially makes non-cashable savings of £100,000</p> <p>Key actions: The major cashable gain results from the proposed changes to the Home-to-School transport service. The focus will be one of rigorous and timely review of pupil transport contracts combined with smarter procurement. Progress will be reviewed and monitored through the usual budgetary control channels.</p>			
Supporting people	0			0
	<p>Strategy:</p> <p>Key actions:</p>			

Homelessness	20,000			20,000
<p>Strategy: Working towards the national priority of reducing reliance on Bed & Breakfast is expected to generate savings of over £20,000 through the establishment of a Supported Lodging Scheme and the engagement of local providers.</p> <p>Key actions:</p>				
Other cross-cutting efficiencies not covered above				
Corporate services	234,000			79,000
<p>Strategy: A continual focus on driving out efficiency gains through cash limiting budgets and seeking out gains from administration and managerial structures resulting from significant investment in IT structures will deliver the savings identified above.</p> <p>In particular the initial savings from the Customer Relationship Manager Programme should begin to appear in the second half of this year with further savings identifiable in later years.</p> <p>Looking ahead to the redevelopment of the Town Centre, the establishment of a new Civic Hub will result in savings through the early development and adoption of remote, mobile and home working initiatives.</p> <p>Key actions: All cashable savings have been incorporated within the 2005/06 Budget and their delivery will be monitored throughout the year.</p>				
Procurement	477,000			180,000
<p>Strategy: Through the improved professionalism of the Councils procurement operation the authority will challenge itself to ensure goods and services are procured in the most cost effective manner.</p> <p>Key actions:</p> <ul style="list-style-type: none"> • Further Standardisation and development of corporate contracts • Smarter and more effective post-tender negotiation • Maximisation of e-procurement gains • Sharing of resources and best practice within and across organisation • Identify and implement "quick-wins" • Make effective use of "Centres of Excellence" 				
Productive time	909,000			297,000
<p>Strategy: Significant non-cashable savings are achievable resulting from a focus within Departments to achieve "more-for-the-same" particularly in relation to the management of their overall staffing budgets.</p> <p>Past and present investment in Information, Technology and Communications enables Departments to exceed expectations in service delivery using limited cash resources. The corporate implementation of CRM and the importance placed on the "benefit choices" afforded to staff all contribute towards this goal.</p> <p>Key actions: Annual financial pressure on staffing budgets has embedded an ethos of achieving greater productivity and the more effective deployment of staff.</p> <p>The authority will continue to leverage efficiency gains from "new ways of working" and also by acknowledging the cost savings and benefits associated with valuing staff and staff satisfaction.</p> <p>A proactive approach to developing staffing structures around delivering services will yield both cashable and no-cashable savings. This will result in cashable savings of at least £135,000 within the Social Services and Housing directorate alone through the restructuring of the Strategy, Commissioning and Resources unit.</p>				
Transactions	0			0
<p>Strategy:</p> <p>Key actions:</p>				

Miscellaneous efficiencies	85,000			85,000
	<p>Strategy: A focus on better asset management will release additional resources through the identification and disposal of surplus or under-used assets. The receipts will generate additional investment income.</p> <p>The continuous overall improvement shown by the Council and recognised by its CPA score in terms of fiduciary responsibilities has resulted in a less intrusive external audit programme which will result in savings that can be released to deliver front-line services.</p> <p>Key actions:</p>			
Total	3,381,000	700,000	0	1,148,000