

**Committee:** Full Council

**Agenda Item**

**Date:** 14<sup>th</sup> December 2010

**11**

**Title:** Efficiency Challenge - Improvement East

**Author:** John Mitchell, Chief Executive

Item for decision

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### Summary

1. The Council has benefitted from Improvement East (IE) support in the past, which has assisted in improving performance and supporting corporate capacity. The current focus concentrates on improving efficiency in local government.
2. IE have now approached the Council with an invitation to participate in its programme of 'Efficiency Challenge' which is intended to provide support in the delivery of initiatives to accelerate the Council's existing plans or stimulate activity which may deliver additional savings and efficiencies.
3. In Uttlesford's case, the support could complement the workstreams identified in the Council's approach to dealing with the financial shortfall identified in the medium term financial strategy (MTFS).

### Recommendation

4. That the Council welcomes the invitation to work with Improvement East on the Efficiency Challenge and authorises the Chief Executive, in consultation with the Leader, to agree the detailed programme of support.

### Financial Implications

5. There are no costs associated with the recommendation. IE support will reduce the need to draw upon the council's own change management reserves, thus potentially increasing our capacity to invest in spend-to-save projects, and/or to provide additional contingency in case of cost overruns on other projects.

### Background Papers

6. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report:

None

### Impact

- 7.

Communication/Consultation	Appropriate communication/consultation
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	will be undertaken in relation to any individual projects emanating from the initiatives referred to in this report.
Community Safety	No impact
Equalities	No impact
Health and Safety	No direct impact
Human Rights/Legal Implications	No impact
Sustainability	No impact
Ward-specific impacts	All wards
Workforce/Workplace	No direct impact

**Situation**

8. Members will recall that IE, (which is now part of the East of England Local Government Association), has provided support and assistance to the Council over the past three years, initially to assist in capacity building following the financial difficulties that the Council faced in 2007/08 and more latterly in relation to specific projects aimed at improving the Council’s performance in areas such as the Audit Commission’s ‘Use of Resources’ assessment. In each case the Council, and therefore the council taxpayers of Uttlesford, have benefitted to the extent that performance has improved significantly, a factor which has been acknowledged by a number of Government agencies.
9. Currently, IE’ s main focus concentrates on improving efficiency in local government, which is particularly pertinent in the context of cuts in Central Government funding. As part of this programme, the Council has been invited to participate in the ‘Efficiency Challenge’ which would provide support in the delivery of initiatives aimed at accelerating the Council’s existing plans or stimulating activity which may deliver additional savings and efficiencies.
10. At an initial meeting with senior officers of the Council in November, IE representatives were impressed with the approach being adopted in order to deal with the financial shortfall identified in the MTFs. In particular, the fact that the Council has identified a series of workstreams to assist in securing delivery of the required efficiencies and savings and the setting up of a small internal corporate team to drive forward these workstreams is seen as a positive way forward.
11. A further meeting has now been held with IE representatives, involving the Leader of the Council and the Chairman of Finance & Administration Committee. IE is particularly keen to ensure that their involvement not only assists in driving efficiencies, but also provides a significant return to the council taxpayer in relation to the support given.

12. The meeting discussed a range of possibilities where IE support might be appropriate, and would be likely to yield the required benefits. If the Council decides to engage in the initiative, a final short list of projects to receive support would be agreed with the Council over the next few weeks.
13. Examples (although this list is neither exhaustive nor is there a guarantee at this stage that these specific projects will be supported) could include:
  - a. Initiatives included in the five workstreams identified through the Council's MTFS
  - b. Support in progressing the Council's procurement strategy; and
  - c. Further development of the Council's approach to asset management.
14. Participation in the 'Efficiency Challenge' would not preclude the Council from applying for support for other initiatives, such as the proposed Revenues & Benefits partnership with Harlow.

**Conclusion**

15. This Council has benefitted in the past from support from IE, which has resulted in a significant improvement in the Council's capacity to deal with the problems faced over the last three years.
16. The 'Efficiency Challenge' provides an opportunity to further enhance the Council's 'partnership' with IE and to ensure that Uttlesford can continue to maintain and develop its approach to greater efficiency and 'value for money'.

**Risk Analysis**

17.

Risk	Likelihood	Impact	Mitigating actions
Council fails to secure the anticipated benefits.	2 (unforeseen problems in achieving savings targets).	2 (failure to secure savings required by the MTFS).	Contingency plans in place to deliver other initiatives.

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.