

# ANNUAL EFFICIENCY STATEMENT

## PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

14TH APRIL, 2005

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### Wards Affected

County-wide.

### Purpose

To approve the Council's forward looking Annual Efficiency Statement.

### Key Decision

This is not a Key Decision.

### Recommendations

**That the Corporate Strategy Statement attached in appendix 1 and the individual elements of the Annual Efficiency Statement in appendix 2 be approved.**

### Reasons

Cabinet is required to approve both the corporate and service approach towards making efficiency savings and ratify that this is both robust and achievable.

### Considerations

1. A forward-looking Annual Efficiency Statement (AES) has to be made available to the Audit Commission by the 15th April this year. The Council is required to make £3,300,000 in efficiency gains with at least half of this amount releasing cash. The Chief Executive's Management team has set a higher target at £3.500,000 to comply with Comprehensive Performance assessment requirements.
2. An important part of the AES is the corporate strategy and this is set out in appendix 1. It explains why the Council needs to realise these efficiency gains and how it will go about achieving them. Appendix 2 shows in detail the actions services are taking to comply with the efficiency agenda.
3. Cabinet will note from the strategy that a significant percentage of the efficiency gains are cashable, which is in line with the Corporate Plan requirements to release resources to meet the Council's objectives. Accordingly, detailed work is also taking place on identifying efficiencies into the medium term and the Invest to Save allocation within this year's budget will play a key role in delivering these.
4. It is envisaged that the AES will go through a robust scrutiny process by the Audit Commission. In this respect the efficiency gains included need to be both substantiated and delivered. Interim monitoring will take place in November in addition to a full review in 2006/07.

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Further information on the subject of this report is available from Andrew Tanner, Assistant County Treasurer (01432) 260162

5. The AES will be an integral part of the financial planning and budget process for 2006/07.

## **Risk Management**

The Annual Efficiency Statement will form a major part of the Council's Use of Resources assessment. Failure to reach level 3 on this assessment will prevent the Council from becoming an 'excellent' authority. The Council currently assesses itself as being at level 2 on the revised criteria.

## **Consultees**

None.

## **Background Papers**

Budget report for 2005/06