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North West Leicestershire District Council

**North West Leicestershire District Council Efficiency Plan**

**2017 to 2020**

**1. Introduction**

 This Efficiency Plan is in response to the invitation from the Secretary of State on 10 March 2016, for this council to engage with Government in arrangements that will secure a multi-year settlement for Revenue Support Grant, thus supporting our ability to strengthen our financial management, whilst working collaboratively with local partners and reforming the way local services are provided.

 **Purpose**

To reduce our overall costs and to secure greater efficiency in our use of available resources, as well as maximising our income by providing value for money; by outlining how the council intends to structure and manage its finances (revenue and capital) over the next four years. This will ensure that our resources fit with and support the delivery of our objectives, taking into account known and projected financial and demand-led circumstances.

To respond to the expressed needs of local individuals, communities and businesses.

 **Council Delivery Plan**

Our Council Delivery Plan covers five priority areas and our Medium Term Financial Strategy (MTFS) needs to be aligned to it:

**Building Confidence in Coalville** - We aim to regenerate and build confidence in Coalville.

**Value for Money** - We aim to provide council services that people feel give good value for money.

**Homes and Communities** - We aim to improve the wellbeing of people living in North West Leicestershire.

**Business and Jobs** - We aim to make the district a better place to invest, work and visit.

**Green Footprints** - We aim to make people feel proud to be part of a cleaner, greener district.

**2. Foundations**

 **Service pressures/efficiencies**

Pressures and efficiencies had been identified in the MTFS and are being addressed already, as part of the operational response to that Strategy. The net position is a projected shortfall of £372k over the term of the MTFS. This plan sets out how we will address this in the medium term and set in place effective plans to also address the longer term shortfall in a sustainable manner.

 **Ongo**i**ng work**

The council has a strong and productive track record of engagement with our partners, both to secure better value for money and to extend its influence and support for areas vital to meeting community and business needs in a sustainable manner. The following examples are evidence of our current and ongoing activities.

* Leicester and Leicestershire Combined Authority - we are committed to active membership of the Leicester and Leicestershire Combined Authority (due for formal launch early in 2017), and are engaged as members of both the Leicester and Leicestershire Economic Growth Board and the Leicester and Leicestershire LEP.
* Revenues and Benefits Partnership - we are part of a three-way partnership, along with Harborough, and Hinckley and Bosworth Councils, which has been in place for over four years. It has matured into an effective set of arrangements, ensuring resilience, efficiency/improved performance and, since a major review in 2014/15, greater value for money - not just in day to day costs, but in consolidating the opportunity savings achieved over the first four years. The partnership has secured savings/opportunity gains already of £2.19m. In addition the budget for 2016/17 onwards has been based on achieving delivery of the service with a 2% vacancy factor.
* Supporting Leicestershire’s Families – this service supports the most complex families in the District to assist them into employment and in addressing issues such as poor parenting, ASB, drugs and alcohol, poor educational attendance.
* Lightbulb Project - this county-wide initiative (kick-started by £1m of Transformational Challenge funding) aims to provide practical primary housing based prevention support to improve services for vulnerable people and reduce emergency hospital admissions and delayed hospital discharge. Without such housing based support in place, many of the benefits of integration, health and social care services would be diluted if a person’s home was not suitable for them to live safely and independently.
* Community Safety Partnership - this partnership is essential to early sharing of information and intelligence gathering on emerging issues and a holistic approach to tackling problems and providing support to both victims and perpetrators, to prevent issues from reoccurring.
* Health and Wellbeing Partnership - the council has led a multi-agency partnership aimed at improving health outcomes for local residents. It looks to use its funds to improve health and promote physical activity, achieving positive outcomes in terms of increasing participation in activities and improving the wellbeing of individuals.
* Tourism Partnership - the council is part of a public/private sector partnership chaired by a LLEP Board member and CEO of a key local attraction. The importance of tourism to Leicestershire is demonstrated by its positive economic impact worth £1.48bn to the Leicestershire economy and supports over 30,000 jobs

**3. The challenges**

Over the next four years (and beyond), whilst the council welcomes the certainty of a four year RSG ‘Deal’ with Government, it still faces two major areas of uncertainty: the future arrangements for New Homes Bonus and the detail and extent of the arrangements for the local retention of Business Rates (NNDR). These two elements may well pull in opposite directions – with the potential for New Homes Bonus to reduce over time, with that for Business rates increasing.

North West Leicestershire has benefitted significantly from New Homes Bonus as a result of its proactive approach to housing growth, and would continue to do so for the period of this plan, because of the increasing housing development over the last few years and into the future. In 2016/17, we received £2.77m, which has formed an important element of our General Fund budget going forward. However, as this remains uncertain for the future, we think it prudent to make provisional plans for its reduction; plans which can be consolidated/revised upwards, once the longer term position is clarified by Government.

The retention of business dates is equally uncertain. There is a commitment from Government for 100% retention by 2020, but there will be the further issue of negotiation of relative shares between the county council and district/borough councils, notwithstanding the definition of ‘100%’ – is it growth or the whole amount. Our current projections are based on existing rates of retention, to ensure prudency. That will be reviewed as soon as a more definite position is known. For the purposes of this plan, the council will continue its strategy of promoting and stimulating business growth for the benefit of the business and wider community, as well as for the growth of income to the council via business rate receipts.

**4. Efficiency Plan within the MTFS**

We have reviewed our MTFS and this includes our efficiency plan. For ease of reference this has been extracted from the MTFS and is as below:

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| --- |
| **Value for Money and Efficiency Actions** |
| **Strategic Efficiencies Plan 2017 to 2020** |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2016/17£’000 | 2017/18£’000 | 2018/19£’000 | 2019/20£’000 |
| Efficiencies Required as per MTFS | 0 | 0 | 0 | (372) |
| Use of Reserves/Savings to be generated | 0 | 0 | 0 | (372) |
| Net (shortfall/surplus) | 0 | 0 | 0 | 0 |

Securing the best value for money for the Council Tax payer is a key objective of the MTFS and has been a major factor in managing the reducing resources available particularly since 2010. We employ a variety of measures to promote and deliver value for money. These include:

* The identification of service improvement and efficiency savings
* Effective corporate procurement mechanisms.
* Performance management. We report to Cabinet quarterly.
* An organisational structure that is kept under review to ensure it meets the needs of the organisation.
* Scrutiny by the Policy Development Group.
* Internal audit.
* Capturing efficiency gains in-year.

We need to also carry out some specific actions to respond to the challenges we face and the opportunities we need to grasp, and these will include the following:

* Align resources to our priorities, the Council Delivery Plan and essential services using the Business Excellence Model and service / team planning
* Continue to support the Combined Authority and collaborative working
* Continue to develop our organisation through our BEE programme
* Encourage the use of digital interaction and transform our approach to customer access
* Behave more commercially and seize opportunities that present themselves and can to be justified through a business case.

**Align resources to our priorities, the Council Delivery Plan and essential services using the Business Excellence Model and service / team planning**

So far the Council has addressed the need for financial savings by reducing its staffing levels and hence reducing budgets. Over this MTFS period, the Council needs to continue to align and allocate resources with the priorities and outcomes set out in the Council Delivery Plan and to essential services; to ensure we are entirely focussed on those things that are most important to us.

**Continue to support the Combined Authority and collaborative working**

Leicestershire’s local authorities are currently developing a Combined Authority that will deliver benefits from strategic planning, infrastructure development and the local economy.

Work is also being undertaken on a Devolution Deal. The current timetable indicates that the main document will be drafted in early September, so that it can be endorsed by the Combined Authority before being presented to central government for negotiations to commence.

**Continue to develop our organisation through our Best Employee Experience (BEE) programme**

We build relationships by listening carefully to the issues being raised by a broad range of people such as local communities, businesses, individual cases and colleagues. In listening, we support what is possible to be delivered and agree expectations that are fair to all. We deliver to the jointly agreed quality whilst using the Council’s resources wisely.

We have an excellent staff development (BEE) Programme and an agreed set of Council values that are helping us:

* Develop leaders so there are individuals in key positions that are orientated towards leadership rather than management; who can promote engagement and collaboration, are expert in leading change and have an outward-looking strategic view
* Improve the organisation’s performance through changes to people management and engagement (especially through the Coaching Programme)
* Focus on how services can work together better to achieve the desired outcomes
* Develop performance management with the focus on key PIs and individual and team targets so that performance against outcomes can be measured, and services can be improved and be seen to improve
* Develop a culture where staff understand and believe in the organisation’s purpose, trust its leaders and feel empowered and equipped to do their work
* Develop staff that are equipped with the right skills to do the job now and in the future.

**Encourage the use of digital interaction and transform our approach to customer access**

An ICT strategy has been developed that sets out a long term vision of how ICT will support the Council’s business requirements, its future vision, its customers and its members. Its outcomes include: a fully-funded ICT plan that supports new, more efficient, sustainable, flexible, and customer-focused ways of working; an organisation with the right ICT infrastructure and level of resilience; and a workforce with the right IT tools and skills required to deliver services effectively and efficiently.

The transformation of our approach to customer access is an important part of our next phase of development and is inextricably linked to the need to ensure that our resources are being used to their optimum effect. Customer Services, and the way that other services interact with it, must have a clear approach to managing demand and to reduce our overheads through encouraging people to self-serve and to do business with us online.

We know that there will always be some customers who need to speak to us because of the nature of their needs, so they will always be able to reach us in the traditional way. Our goal, though, is to design our services for those people who wish to and can do their business with us digitally.

Redesigning our services and customer access is a significant and ambitious programme of work that needs to receive a new focus and serve as a catalyst to drive wider organisational change.

**Behave more commercially and seize opportunities that present themselves and are able to be explained through a business case.**

A key theme running through the work needed to deliver our outcomes is behaving more commercially. We need to be able to identify areas where there may be commercial opportunities for NWL to be able to generate additional income or contribute towards our priorities.