

Report To: Policy & Resource Committee **Date:** 14 August 2012
Report By: Chief Financial Officer **Report No:** FIN/49/12/AP/CM
Contact Officer: Alan Puckrin **Contact No:** 01475 712223
Subject: 2011/12 Efficiency Performance

1.0 PURPOSE

- 1.1 The purpose of this report is to advise Committee of the level of “cashable” efficiencies achieved by the Council in 2011/12 and to approve the annual return to be returned to Cosla by 24th August 2012.

2.0 SUMMARY

- 2.1 It is a requirement of all Councils to make an annual return to Cosla in respect of efficiencies achieved. Cosla thereafter co-ordinate a Scotland wide return and submit this to the Scottish Government.
- 2.2 In return for this the Government has agreed to treat the Council’s Efficiency Statement with a light touch.
- 2.3 In previous years the Council has had to prepare a document covering the Council’s approach to efficiency and a forward look for future years. For 2011/12 this approach has changed and now Council’s simply need to return a statement signed by the Chief Executive. This return is attached as Appendix 1.
- 2.4 It can be seen that in 2011/12 the Council achieved recurring efficiency savings of £1.75 million.
- 2.5 As can be seen from Appendix 2 the Council is on target to achieve just short of £11 million of recurring efficiency savings over the period of 2008/13. This has greatly helped the Council protect front line services whilst meeting the significant challenges of reduced funding.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the achievement of £1.7 million recurring efficiency savings in 2011/12 and approve the submission of the annual return to Cosla by the 24th August 2012.

Alan Puckrin
Chief Financial Officer

CONFIRMATION OF EFFICIENCIES DELIVERED IN 2011-12

1	Organisation Name	Inverclyde Council
2	Total cash efficiency achieved	£1.75 million
3	Summary of efficiency activity	<p>£0.955 million of the efficiencies came from the Council's Corporate Savings Workstream Programme. Main areas of saving include Procurement £0.3 million, Reducing Bureaucracy £0.2 million, Service Reviews £0.25 million and Terms & Conditions £0.15 million.</p> <p>In addition £0.8 million was saved as a result of service specific savings agreed as part of the 2011/13 Budget. This includes Teachers Refresh £0.2 million, CHCP Service Redesign £0.4 million, AMP £0.1 million and Restructures £0.1 million.</p> <p>The Council continues to participate in Shared Service discussions with various neighbouring Councils.</p>
4	How have savings been applied?	To balance future year's budgets.
5	Breakdown of efficiency saving by Procurement, Shared Services or Asset Management only where relevant – not all efficiencies will fall into these categories, so the figures here do not have to match the overall total.	Procurement = £0.3 million Shared Services = - Asset Management = £0.1 million
6	Evidence	Efficiencies are only counted where it can be clearly seen that deliverable remain the same (but for less cost).

I confirm that the efficiencies delivered for the year 2011-12 are as detailed in the above table and I am satisfied that the efficiencies identified fall within the published definition.

Signed..... (Accountable Officer)

Date

Efficiencies - 2008/9 to 2012/13

<u>Year</u>	<u>£million</u>	<u>Comment</u>
2008/9	1.966	Per Efficiency Statement
2009/10	1.922	Per Efficiency Statement
2010/11	2.864	Per Efficiency Statement
2011/12	1.754	Per Efficiency Statement
2012/13	2.327	Projected Target
	10.833	

AP/CM
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