



Proud of our past. Energised for our future.

Efficiency Plan 2016-2020

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Introduction

The purpose of this document is to set down the Council's Efficiency Plan for 2016-2020. This document brings together the key documents that contribute to our vision, ambitions and strategic outcomes alongside the Medium Term Financial Strategy and Commercial Strategy to demonstrate financial sustainability across the four years of the 2016-2020 Spending Review period.

Why have an Efficiency Plan?

On 10 March 2016, the then Secretary of State for Communities and Local Government wrote to all local authorities to offer a multi-year settlement deal that would help provide financial stability in terms of medium term financial and service planning. In terms of our Borough, the offer of a four-year settlement for Revenue Support Grant and Rural Services Delivery Grant, was considered by our Council at its meeting on 27 September 2016 and it was agreed that Copeland Borough Council would submit a request to accept the offer of a four-year settlement to the Government.

As part of the offer, a link to our published Efficiency Plan for 2016-2020 must be included.

The Council will continue to produce an updated Efficiency Plan each year as part of its existing budget setting process to help ensure transparency to our communities.

2016-2020 Corporate Strategy

With the appointment in May 2015 of Copeland's first democratically Elected Mayor, a new Corporate Strategy and Plan was developed and incorporates the Elected Mayor's ambitions for the borough based on his manifesto pledges. The Corporate Strategy has been developed in response to, and sets out the Mayor's approach to, the key priorities in the borough and what the Council will prioritise over the next four years. The associated Corporate Plan incorporates a focused number of performance indicators linked to four ambitions and five strategic outcomes to show the impact we hope to achieve and the process by which we will measure successful delivery of the key priorities. The Strategy and Plan are underpinned by a Medium Term Financial Strategy covering the 2016-2020 Spending Review period.

This new Corporate Strategy covers the period 2016-2020 ([2016-2020 Corporate Strategy](#)) setting out the Council's, Mission, Vision and Values for the future. The Council is an active District Authority, which has a strong sense of its purpose and statutory demands. Our Mission is *to make Copeland a better place to live, work and visit*. Copeland Borough Council acknowledges the challenges that it faces, but also views the current funding horizon as an opportunity to affect transformational changes as to how we do business, with improvements to services we deliver as a direct result of those changes. Thus, the 2021 Vision for the Council is that: *"Copeland Borough Council is a commercially-focused organisation with a national reputation for high quality services."*

Our Mission and Vision are underpinned by three core Values:

- **Work with Partners** – We will work to get the best for our communities whether in the public, private or voluntary/community sector;
- **Be Cost Effective** – We will be prudent in spending our money; we will strive to achieve value from every pound we spend; we will continually review our services; and
- **Treat Everyone Equally, Fairly and with Respect** – We will strive to deliver first class levels of customer care; we will treat people fairly especially those who are vulnerable; we will listen.

These values are underpinned by our demonstrable track record of delivering in times of uncertainty. We have consistently delivered change and services through partnership activity and joint working. We recognise, in line with changing policies and the financial horizon, that we achieve highly successfully when working in partnership and this is an important strength going forward.

The Vision is achieved through a series of four Ambitions:

- Town Centre Regeneration;
- Commercialisation;
- Employment, Skills and Social Wellbeing; and
- Strengthen the Way We Operate.

We will deliver these ambitions by focusing on the delivery of five Strategic Outcomes, each of which contributes to each Ambition:

- SO1 -Four our **towns, villages and streets** to reflect the prosperity of the area
- SO2 - **Grow the commercial activity** of the Council to benefit the people of Copeland, ensuring that the wealth generated in Copeland stays in Copeland
- SO3 - **Attract** businesses, professionals and entrepreneurs to Copeland and **retain** our talented young people. **Working with partners** to **support the most vulnerable** in our borough
- SO4 - **Continually review our services** to ensure they meet the needs of the people of Copeland and ensure that they are efficient and effective
- SO5 - **Maximising our opportunities for growth**, within the Council and with our strategic partners

Importantly, the key driver from the Vision is to ensure a continuous push for benchmarked high quality services. A number of our services are within the top quartile of performance nationally offering a strong platform from which to develop the Council to deliver our Vision for 2021.

The Council continues through this Corporate Strategy to deliver statutory and linked discretionary services, striving to maintain or improve high quality services for our residents, local businesses and other stakeholders. Our annual service plans set out the key deliverables and focused Performance Indicators for each service area within scope and direction of the Corporate Strategy. The high level Corporate Delivery Plan ([Corporate Delivery Plan](#)) highlights our additional key deliverables to achieve the Strategic Outcomes. This dynamic document sets out the key deliverables across all years.

2016-2020 Medium Term Financial Strategy

Our 2016-2020 Medium Term Financial Strategy was approved by Council on 25 February 2016, alongside our Review of Reserves and Capital programme (see additional information links at the end of this document). **Table 1** below highlights the General Fund Summary position:

Table 1: 2016-2020 General Fund Summary

Ref	Element	2016/17	2017/18	2018/19	2019/20
		Additional	Additional	Additional	Additional
		£'000s	£'000s	£'000s	£'000s
1	General Fund Base Budget	9,460	9,334	8,365	8,186
2	Add: Pay, Price and Contract Inflation	127	137	141	142
3	Add: Corporate Pressures	311	100	140	140
4	Add: Service Pressures	179	163	42	5
5	Add: Service Investments	139	-73	1	0
6	Add: Commercial Strategy Implementation	200	-100	-100	0
7	Add/Deduct: Income and Grants	-126	86	9	391
8	Add: Contingencies	56	0	0	0
9	Deduct: Efficiencies from Delivering Differently Programme (Fees & Charges included in here)	-955	-1,282	-412	-1,049
10	Add/Deduct: Contributions to (+) / from (-) Reserves	-592	0	0	0
11	Total: General Fund Financial Plan	8,799	8,365	8,186	7,815
12	Total : Funded By	8,799	8,365	8,186	7,815
13	Gap	0	0	0	0

Our biggest financial challenge has been addressing the outcome of a significant Business Rates Appeal which was notified in February 2016. Whilst the Council made sufficient provision for repaying the rates, the transaction has left a material mis-match of resources between years, which left us with a reported £9.1 million deficit in 2015/16. We are addressing this with the support of all Members of the Council during 2016/17 and will reflect the impacts in our 2017/18 budget setting process.

2016-2020 Efficiencies from Delivering Differently Programme

Delivering Differently is the major change programme which underpins the rationale for change in Copeland Borough Council. It is designed to bring together and co-ordinate the complex portfolio of projects and other work, which will deliver the strategic priorities of the Council and supporting delivery of the financial targets within the Council's Medium Term Financial Strategy.

The Delivering Differently Programme includes:

- **Growth Projects:** including those linked to the Nuclear Industry.
- **Customer Projects:** delivering better services for less cost and/or delivering more for the same cost.
- **Business Projects:** including new ways of working and new service delivery arrangements.

The priorities for delivering change and efficiencies / income generation include: Service Reviews – Support Services Review; Working Differently – Accommodation Strategy, Agile Working and reviewing our Private Finance Initiative arrangements to ensure value for money; and, Commercial Strategy.

Table 2 below highlights the forward plan for financial benefits from our Delivering Differently Programme:

Table 2: 2016-2020 Efficiencies from Delivering Differently Programme

Ref	Element	2016/17 Additional	2017/18 Additional	2018/19 Additional	2019/20 Additional
		£'000s	£'000s	£'000s	£'000s
	<u>Efficiencies from Delivering Differently Programme (Fees & Charges included in here)</u>				
9	2015/16 Savings				
	Parks and Open Spaces	-92	-109	-62	
	Fleet		-57		
	Environmental Health	-37	-34	-42	
	Waste	-132	-303	-103	
	Support Services	-54	-20	-6	
	Enforcement	-10	-4	-26	
	Car Parks	-70	-8	-6	
	CLT Restructure	-90			
	Support Service Review	-400	-100		
	Accommodation Strategy Additional Income	-70			
	Building Control				
	Development Management				
	Economic Development				
	Nuclear				
	Strategic Housing				
	Strategic Planning				
	Commercial Strategy				
	Balance of Savings/Income to be found		-647	-167	-1,049
	Total: Efficiencies from Delivering Differently Programme	-955	-1,282	-412	-1,049

Governance arrangements for the Delivering Differently programme were reviewed and agreed by the Executive in June 2016. ([Delivering Differently 16/17 Quarter 4 Update Report](#), [Delivering Differently Governance Arrangements](#))

2016-2020 Commercial Strategy & Framework

The financial environment that local government, and the public sector more generally finds itself in demands financial flexibility, financial and commercial awareness, effective risk management and the effective use of new technologies.

These are the key principles applied to both the Council's Corporate Strategy and the Medium Term Financial Strategy (MTFS). Commercialisation forms a cornerstone of the MTFS and the underlying financial principles are as follows:

- Move towards becoming a financially self-sufficient Council by 2021 through an active commercial agenda;
Consider any appropriate trading opportunities supported by robust business plans and financial risk assessments and developed in the context of the wider Council MTFS;
- Establish a trading company to develop the commercial opportunities for Copeland;
- Encourage a climate where trading and charging powers of the authority are maximised; and
- Review the Income Collection Policy so that payments are made in advance of Council services being provided where possible.

The 2016-2020 Commercial Strategy was approved by the Executive in April 2016 ([2016-2020 Commercial Strategy Report](#) , [2016-2020 Commercial Strategy](#)) and the Commercial Framework was approved in June 2016 ([Commercial Framework Report](#), [Appendix A - Commercial Framework](#)). The Commercial Strategy sets out how the Council, will deliver on its financial targets over the medium term with a comprehensive approach to income generation and efficiencies.

Governance and Approval

Approval to submit the 2016-2020 Efficiency Plan for Copeland Borough Council was given by full Council on 27 September 2016, via delegation to the Managing Director, in consultation with the Elected Mayor, Director of Commercial and Corporate Resources and the Chair of Overview and Scrutiny Committee. This document will be submitted to the Department for Communities and Local Government on 14 October 2016.

Additional Information Links

2016-2020 Medium Term financial strategy

MTFS Report – [2016-2020 Medium Term Financial Strategy Projections & 2016/17 Budget and Council](#)

Appendix A - [Appendix A - 2016-17 Proposed Increase in Fees and Charges](#)

Appendix B - [Appendix B - Business Rates Retention Scheme](#)

Appendix C - [Appendix C - Council Tax Collection Fund Surplus](#)

Appendix C - [Appendix D - Council Tax Base 2016-17](#)

2016-2020 Review of Reserves

Report - [2016-2020 Review of Reserves](#)

Appendix A – [Review of Reserves and Balances Appendix A](#)

Appendix B - [Review of Reserves and Balances Appendix B](#)

Appendix C - [Review of Reserves and Balances Appendix C](#)

2016-2020 Capital Programme Plan

Report – [2016-2020 Proposed Capital Plan Report](#)

Appendix - 2016-2020 Proposed Capital Plan Report Appendix A