



## Efficiency Plan

Over the last six years Ryedale District Council has delivered efficiency savings of £3.8m which, to put into context, represents 60% of its current net revenue budget of £6.4m.

Ryedale has been innovative in delivering its frontline and back office services. Partnerships have constantly been sought with the private sector and other public sector organisations to maximise both the efficiency and effectiveness of service provision.

Examples of these partnerships have been:

- A ten year contract with SLM Ltd for the provision of Leisure Services.
- A contract with Veritau North Yorkshire Ltd for the provision of an Internal Audit and Fraud Service.
- The North Yorkshire Procurement Partnership.
- North Yorkshire Building Control Partnership
- York, North Yorkshire and East Riding Local Enterprise Partnership
- White Rose Home Improvement Agency

In each of these areas of business, the Council has ensured significant efficiencies are realised from the new arrangements. Being a rural authority there is a high cost of providing many services which is not fully reflected in national finance settlements. The approach, therefore, to service procurement and delivery has to be innovative in order to deliver a balanced budget.

The strategy will seek to build on these successes by continuing to:

- Identify opportunities for alternative service provision through strategic procurement.
- Develop partnerships as appropriate
- Recognise the benefits of extending existing contracts and relationships.

The External Auditors Annual VFM conclusion has reflected positively on the Council's ability to deliver efficiencies.

The Council's strategy for securing efficiencies is driven by the overriding factor of delivering the Corporate Plan within the constraint of a limited financial resource. Customer needs and expectations are of paramount concern.

In addition to the need to generate efficiencies due to reductions in funding, unavoidable spending pressures such as inflation and pay awards require cash to be released from other areas of business and there is a clear strategy to achieve this with minimum reductions in service. The Council does understand, however, that this may not always be possible and it

uses public consultation to influence service priorities and is clear about what can, and what cannot, be achieved in the Corporate Plan.

The remainder of this Statement summarises the service and organisational developments which will not only deliver the efficiency gains in the current year, but also how targeted investment made in 2016/17 will realise the required savings in the medium term.

### **Current Year**

In delivering a balanced budget for 2016/17 the Council included savings of £584k, details of the savings are highlighted in the table below:

<b>Proposal</b>	<b>Savings £'000</b>
- Budget Review Efficiencies	67
- Additional Income	20
- Reduction in Grant Expenditure	22
- District Election	40
- Net Salary Savings	435
<b>Total of Savings</b>	<b>584</b>

The Council is on course to realise all these savings in the current financial year.

The last six years have seen a long period of transitional and opportunistic change in order to deliver savings. Given the magnitude of the funding reductions faced by the council over the next 3 years, the time has come to re-prioritise and focus future business needs.

### **Towards 2020 Programme**

Following on from the success of the One-11 (2011/12), Going for Gold (2012/13) and Round 3 (2013/14) Programmes, Officers are progressing the 'Towards 2020' programme. The purpose of the programme is to deliver required efficiency savings by 2019/20, whilst minimising cuts to services. Following the 2016/17 settlement and likely changes to the calculation of NHB the council is faced with a savings requirement of at least £1.1m over the next 3 years having already delivered £580k for the 2016/17 budget.

The Council's corporate efficiency strategy is entitled 'The Towards 2020 programme' and is based around making the most out of the following four areas of the organisation:

- Management of Systems and Services;
- Enabling Technology;
- Enabling Assets and Acquisitions; and
- Enabling Competencies, Skills and Behaviours.

What we need to prioritise as a council will not change, this is set out in the Council Plan. However, we need to recognise that the scale of the savings required for Ryedale to address the fiscal challenge is immense. Small improvements on the current delivery of service to customers alone will not suffice if the council is to survive, let alone be sustainable, in the

short to medium term. It is recognised that service reviews alone cannot achieve the level of savings required. We therefore need to adopt whole organisation change and re-invent the way we deliver service, with a rapid requirement to move to a lower cost, higher value operating model - we will need to do very different things in a very different way. Our transformation will be all about our customers and we will aim to significantly improve customer experience and outcomes at reduced cost through the removal of duplication and waste, and focusing on prevention to reduce unnecessary demand for services. We need to reflect forward to meet the needs of tomorrow as well as today. The Full Mandate for change (Annex A) has been communicated to Officers and Members of the Council.

The Council has developed a blueprint for change based on design principles for how the council will operate into the future which are categorised into the key themes of:

- Customer interaction
- Levels of Performance
- Service Delivery
- Ways of Working

The Towards 2020 programme is targeting the following areas to achieve the savings identified in the current MTFP.

Description	Target Saving
Assets	£100k
Management Structure	£400k
Business Process Redesign	£500k
Other Efficiencies	£100k

Staff and Member engagement is underway and formal consultation is scheduled to commence in July 2016. Customer engagement will be carried out on a test and learn basis.

**There will be a significant Invest to save funding requirement.**

The focus of the Efficiency Plan is on cash efficiency savings, although this does not in any way under-value the Council's approach to performance improvement which is fundamental within the Corporate Plan.