

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Corporate and Efficient Governance Committee: 26 September 2007

Subject : Annual Efficiency Statement

1. Purpose

- 1.1** The purpose of this report is to provide Committee with a copy of the annual efficiency statement for 2006/07 prepared by the Council and to provide an update on the aggregated national position with regard to efficiencies achieved by Local Government.

2. Background

- 2.1** From 2006/07 onwards, there is a requirement for all Local Authorities to produce an annual efficiency statement.
- 2.2** Following an intense period of consultation between various organisations, including SOLACE, Directors of Finance and the Improvement Service, CoSLA produced a draft framework for the structure of the efficiency statement.
- 2.3** Along with all other Councils, West Dunbartonshire submitted the statement in draft to CoSLA in mid July to allow for some cross checking. The Final Statement was then submitted, in line with the agreed timescale, on 23 August 2007.

3. Main Issues

- 3.1** A cross departmental working group, led by the Head of Finance, was established to prepare the statement. The full statement for 2006/07 which was agreed by the CMT is appended to this report.
- 3.2** Appendix 1 to the statement shows that the Council was successful in achieving £3.4m of cashable savings and a further £1.9m of non-cashable savings in 2006/07. However, although much of this was planned within the corporate budget process, these actions made a major contribution towards allowing the Council to absorb a number of budget pressures that arose during the year.
- 3.3** While some performance and efficiency targets are included within medium term corporate financial plans, further work is required to fully embed this process throughout the Council. It is essential that this is supported by the roll out of a fully integrated benefits realisation process across all council departments during the current year.

3.4 Appendix 2 to the statement summarises that the Council achieved a favourable performance in 11 of the 21 national efficiency measures which were calculated. The targeting of the efficiency measures with an adverse position, which are also shown within appendix 2, is a major priority within the current year.

3.5 CoSLA has now provided an aggregate figure for Local Government to the Scottish Government by their deadline. This presents a very favourable position. Cashable efficiencies of £156m have been reported for 2006/07 and, taken with the £122m already reported for 2005/06, means that the cumulative target of £167m has been well exceeded.

3.6 Further discussions and seminars are planned through CoSLA and the Improvement Service to share knowledge and best practice amongst councils to further develop the statements for 2007/08.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 There are no financial implications.

6. Risk Analysis

6.1 A risk analysis was not required.

7. Conclusions

7.1 The Council has made significant progress in addressing the efficient government agenda and the statement identifies a number of further actions that are planned for the current financial year.

8. Recommendations

8.1 It is recommended that the Committee:

- (a) Note the efficiency gains achieved by the Council in 2006/07, as detailed in appendix 1 of the statement.**
- (b) Endorse the key areas to be targeted for efficiencies in 2007/08 as detailed in section 6 of the statement.**

David McMillan
Chief Executive
Date: 19 September 2007

Wards Affected: None

Appendix: Annual Efficiency Statement for 2006/07

Background Papers: None

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