

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

1. INTRODUCTION

- 1.1 As part of the 2013/14 grant settlement from central government, the Council was allocated £1,864k of Efficiency Support Grant, which is designed to support the Council delivering savings towards a balanced budget. The Council was awarded this funding at it faced a £2.4m (22%) reduction in central government grant funding.
- 1.2 In order to receive the Efficiency Support Grant, the Council was obliged to submit a business case which would demonstrate how the grant would deliver the required level of savings to balance the budget by 2015/16.
- 1.3 Guidance for the preparation of the business case was published in a letter to the Chief Executive on 28th January 2013. This required the business case to be prepared around 5 themes:
 - Shared Chief Executive and shared senior Management Team proposal
 - Shared Service Delivery
 - Shared procurement
 - Strategic Asset Management
 - Other efficiency measures
- 1.4 The Council submitted a business case, which was approved by the Department for Communities and Local Government and the Efficiency Support Grant was received in May 2013.
- 1.5 This report updates on progress towards delivering the projects within the Business Case, and highlights additional work that the Council has done towards delivering further savings to balance the budget in 2015/16.

2. SHARED CHIEF EXECUTIVE AND SHARED SENIOR MANAGEMENT TEAM

2.1 Business Case proposals

- 2.1.1 In the Business case the Council made a commitment to enter into formalised joint working arrangements with neighbouring authorities, and to continue to consider the potential for a shared Chief Executive and Shared Management.

2.2 Progress to date to deliver the Business Case

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

- 2.2.1 The Managing Director of Great Yarmouth Borough Council retired following a restructure of the Senior Management Team which delivered savings of £387k.
- 2.2.2 Discussions have taken place with neighbouring authorities in relation to entering into joint working arrangements. Informal arrangements for mutual support and resilience have been put in place with a number of authorities.
- 2.2.3 Additional work has taken place with two neighbouring authorities with the potential to deliver shared senior management. Due to the confidential nature of these discussions, they have requested not to be named in this document.
- 2.2.4 There is a proposal to share an officer with another authority to deliver Housing Finance expertise at a senior level. Following the voluntary departure of the Housing Assets and Finance Manager at Great Yarmouth Borough Council, initial discussions are taking place.
- 2.2.5 Work has also begun with another authority on a systematic exploration of all services delivered by both authorities, to identify whether there are any areas where shared working could be delivered.

2.3 Additional progress made to date

- 2.3.1 Great Yarmouth Borough Council has had two abortive attempts at sharing senior management and the wholesale sharing of services. There is understandable caution at entering into any commitment with regard to future shared management, and the talks that are currently taking place reflect this caution.
- 2.3.2 However, the fact that talks are taking place at all demonstrates a commitment to sharing as a means of delivering better services to the customer in the right circumstances. Members have indicated that a shared Chief Executive and shared senior management would be considered where the independence of Great Yarmouth can be assured (ie. that it is not seen as a “takeover” by another authority), and there are demonstrable benefits both in terms of service delivery and financial savings.

3. SHARED SERVICE DELIVERY

3.1 Business Case proposals

- 3.1.1 The following proposals were included within the business case:
 - Proposals for a joint venture company

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

- establishment of a cost sharing group
- renewed arrangements for the Great Yarmouth Sports and Leisure Trust
- options for the future of the HR service
- shared treasury management
- internal audit

3.2 Progress to date to deliver the Business Case

- 3.2.1 Great Yarmouth Borough Services Limited, a joint venture company set up with NORSE, was set up to deliver waste collection, street cleansing, street and footway lighting, grounds maintenance and general repairs and maintenance. As part of the joint venture, savings of £764k were delivered in the 2013/14 budget.
- 3.2.2 Jointly launched in October 2013 with North Norfolk District Council, Coastshare Limited is the first public sector cost sharing group in the country, designed to enable the third sector (predominantly the charity sector) access to back office services at cost and without VAT being charged. Since the launch charities with combined turnover in excess of £8m have signed up to be Members, and quotes are being prepared for works. This will enable the Councils to utilise surplus capacity in back office services and deliver income to reduce the budget deficit, while retaining key staff.
- 3.2.3 In May 2013, Members approved a programme of refurbishment for the Marina Centre, the Council's main Leisure facility which is operated by the Great Yarmouth Sports and Leisure Trust. The Council currently supports the Trust with a level of subsidy in excess of £500k per annum. The works are designed to make the facility more profitable, and for the Council's subsidy to reduce as a result. The construction works are already underway, with replacement boilers, new changing rooms and additional car parking facilities all being delivered in the first phase.
- 3.2.4 A review of the HR service was carried out in June 2013, using Efficiency Support Grant funded consultancy support. This has resulted in a new structure being proposed which will deliver an improved service with reduced resources. Savings of £47k have been delivered to date.
- 3.2.5 The proposal for shared treasury management was not developed following discussion with other s151 officers.
- 3.2.6 The internal audit contract is in the process of being procured through the internal audit consortium, which includes Great Yarmouth, Broadland, Breckland, South Norfolk, North Norfolk and the Broads Authority.

3.3 Additional progress made to date

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

- 3.3.1 Work is also underway in relation to proposals for a shared service for Building Control; options considered include CNC (a company set up by South Norfolk Council which delivers building control services for South Norfolk, Norwich, Breckland and Broadland), NORSE (a new venture, which would potentially include North Norfolk and Great Yarmouth), or retention in house.
- 3.3.2 The potential for another joint venture company with NORSE is also being considered to deliver the Housing Responsive Repairs service.
- 3.3.3 The current contract with NCC to deliver IT services is due for expiry in 2015. Work is underway to renegotiate this contract for the future to deliver savings and an improved service for the Borough Council.
- 3.3.4 The Council is also working with partners including Health East, Norfolk and Suffolk County Councils, and Waveney District Council to look at how health, social care and district council services can be better integrated.

4. JOINT PROCUREMENT

4.1 Business Case proposals

- 4.4.1 The following proposals were included within the business case:
- Membership of the Eastern Procurement Consortium
 - Joint procurement of the new Materials Recycling Facility with the other district authorities
 - Procurement of the Asset register using a framework agreement
 - Appointment of a Procurement officer and identification of opportunities for further joint procurement

4.2 Progress to date to deliver the Business Case

- 4.2.1 Membership of the Eastern Procurement Consortium is delivering savings on the Housing Capital Programme.
- 4.2.2 The Materials Recycling Facility procurement has been completed and is due to start in October 2014. Savings accruing to the Borough Council are estimated in the region of £90k per annum.
- 4.2.3 The asset register module has been purchased using a framework agreement.
- 4.2.4 Consultancy support was obtained to bring in capacity to delivery improvements to procurement at the Council. As a result the procurement strategy has been redrafted, alongside revised contract procedure rules, and revised terms and conditions for suppliers. Progress has been made to deliver a procurement portal, and to improve communication with suppliers. A review

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

of existing spend has taken place, with a revised contract register being established.

4.3 Additional progress made to date

- 4.3.1 Use of consultancy support has moved the procurement service on significantly. A proposal has been drafted to deliver procurement support for the Council moving forward, and opportunities for further savings are being identified.

5. STRATEGIC ASSET MANAGEMENT

5.1 Business Case proposals

- 5.1.1 The new asset register would give the Council the opportunity to undertake a systematic review of assets to demonstrate that the return on investment outweighs the income generated from disposal. Part of the proposals included the disposal of development land at Beacon Park, and housing developments delivered through the Great Yarmouth Development Company.

5.2 Progress to date to deliver the Business Case

- 5.2.1 The introduction of the software for the new Asset Register is nearing completion, which will allow a review of assets.
- 5.2.2 The Council has recently approved the planning application for the new Sainsburys development at Beacon Park, which will generate a significant capital receipt, allowing the Council to repay borrowing and reduce the ongoing interest charges year on year.
- 5.2.3 The Great Yarmouth Development Company has completed a new housing development at the Beach Coach Station, and has approved the development of new council houses. These will deliver the new homes bonus for the Council.

5.3 Additional progress made to date

- 5.3.1 The former office accommodation at Trafalgar House will be redeveloped into affordable housing, following disposal to Saffron Housing Association. A significant development near Beacon Park is also being actively considered by the Council, with a planning application expected shortly. Additional new homes bonus is also expected from these developments.

6. OTHER EFFICIENCY MEASURES

6.1 Business Case proposals

- 6.1.1 The following proposals were included within the business case:

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

- Use of the Town Hall for weddings and events
- Modernisation of Member Services
- Marketing of high performing services
- Development of new income streams and invest to save ideas

6.2 Progress to date to deliver the Business Case

- 6.2.1 A number of successful events and weddings have already been held at the Town Hall, with more booked over the coming year.
- 6.2.2 Member services has been modernised with Member now using tablets for agendas, and a new committee system being introduced to deliver efficiencies. This has delivered significant savings in terms of printing and postage costs.
- 6.2.3 The Conservation Team has begun to market its services, as nationally recognised experts. Work has come in from a variety of sources, and the team has been a finalist in a national conservation award. A separate company, linked to the Great Yarmouth Preservation Trust, is being established through which this work can be delivered.
- 6.2.4 New income streams are being developed. Additional income has come in from the Crematorium through new services being provided.

6.3 Additional progress made to date

- 6.3.1 Online forms are being introduced to encourage channel shift from face to face interaction and to reduce back office processing
- 6.3.2 A project is underway to review the corporate GIS system and to upgrade the gazetteer to ensure better interfaces between systems, to reduce rekeying of addresses from one system to another.
- 6.3.3 Following the review of the senior management structure, significant savings have been made through the whole Council following an offer of voluntary departure. As at May 2012, there were 475 posts on the establishment with 408.84 Full Time Equivalent staff (FTEs). There were 327 posts in the General Fund (282.34 FTEs) and 148 posts in the HRA (126.5 FTEs). As of October 2013, there were 413 posts on the establishment (352.17 FTEs), a reduction of 62 posts (56.67 FTEs). The split was HRA 133 posts (108.51 FTEs) and General Fund 280 posts (243.66 FTEs). Savings estimated at £1.3m on the overall payroll are expected by the end of the 2013/14 financial year.

7. CONCLUSIONS

GREAT YARMOUTH BOROUGH COUNCIL

EFFICIENCY SUPPORT GRANT

PROGRESS UPDATE - NOVEMBER 2013

- 7.1 Within the first 7 months since the grant was confirmed, significant progress has been made in delivering savings to balance the budget. Significant investment in software, short term additional resources, and in improving existing assets has been made, through judicious application of the Efficiency Support Grant.
- 7.2 The Council will be required to report to the department for Communities and Local Government in December 2013. The progress demonstrated in this document will be shared with the Department to support a request for additional Reward Grant, and in support of receipt of the Efficiency Support Grant for 2014/15.