



Decision maker: Cabinet 22nd September 2016

Subject: Efficiency Plan

Report by: Director of Finance & Information Service (s151 Officer)

Wards affected: All

1 Purpose of Report

This report considers the Council's Efficiency Plan which is proposed for endorsement and is required to be published on the Council's website and the link notified to the Department of Communities and Local Government (DCLG) by 14th October 2016 should the Council choose to accept the government's offer of a four year funding settlement up to and including 2019/20 (elsewhere on this agenda). The Efficiency Statement also includes a "Flexible Use of Capital Receipts Strategy" for endorsement.

2 Recommendations

2.1 It is recommended that:

- i) the attached Efficiency Plan is endorsed

3 Background

- 3.1 Local authorities have experienced the biggest proportionate reduction in funding of all Government departments since 2010. The scale of reduction, along with a degree of volatility around the phasing and timing of these reductions to different authority types, can make it very difficult for authorities to plan their spending priorities strategically. The need for effective medium term planning has therefore never been greater.
- 3.2 The government's response to these concerns from local authorities and contained within the Local Government Finance Settlement 2016 to 2017 has been to offer a guaranteed minimum grant envelope, paid to councils for a 4 year period from April 2016. This, the Secretary of State said, should increase local authority certainty and confidence and would be a key step towards supporting councils to strengthen financial management and work collaboratively with local partners when considering the way local services are provided in future.
- 3.3 Further details became available in a letter from the Secretary of State dated 10th March 2016 clarifying the offer. In essence the government has offered a guaranteed budget to every council which desires one and which can demonstrate efficiency savings for 2016/17, and for every year of the current parliament.

- 3.4 The DCLG will only consider expressions of interest in accepting the offer if a link to a published efficiency plan is received by 5pm Friday 14th October 2016. The government has not issued detailed guidance regarding what these plans should include although some outline guidance has been received.
- 3.5 The draft Efficiency Plan enabling the Council to accept the multi-year settlements offer, if it chooses to do so, is attached at Appendix 1 for endorsement by the Cabinet.

4 Director of Finance & Information Service (s151 Officer) Comments

- 4.1 There are no financial implications arising from the endorsement of the Efficiency Plan attached at Appendix 1 that have not already been reflected within the Councils 2016/17 Revenue Budget and future forecasts.

5 City Solicitor's Comments

- 5.1 The City Solicitor is satisfied that it is within the Council's powers to approve the recommendations as set out.

6 Equalities Impact Assessment

- 6.1 This report does not require an Equalities Impact Assessment as there are no proposed changes to PCC's services, policies, or procedures included within the recommendations.

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Chris Ward

Director of Finance & Information Service (s151 Officer)

Background List of Documents –

Section 100D of the Local Government Act 1972

The following documents disclose facts or matters which have been relied upon to a material extent by the author in preparing this report –

Title of Document	Location
Local Government Finance Settlement 2016/17	https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2016-to-2017
Letter from Secretary of State for Communities and Local Government dated 10 th March 2016	Office of Deputy Director of Finance

The recommendations set out above were:

Approved / Approved as amended / Deferred / Rejected by the Cabinet on 22nd September, 2016

Signed:

APPENDIX 1