

Efficiency Plan

2016/17 – 2019/20

Introduction

This document is the Royal Borough of Greenwich Efficiency Plan and has been prepared to enable the Council to take advantage of the government's offer of securing minimum levels of revenue support grant over the four year period 2016/17 – 2019/20. Although the document itself is new, the contents are drawn from previously agreed strategies and plans.

Greenwich Strategy

The over-arching vision for the borough is to remain a great place in which to work, live, learn in and visit, striving to improve our services in response to both needs and aspirations of our residents and the priorities of partners and stakeholders.

A Royal Greenwich Partnership is being formed with key stakeholders and this process is being launched in October 2016. This forms part of the work currently underway to revise the Royal Greenwich Strategy which will set out the priorities, high level objectives of the Council and inform service objectives. The guiding principles for the new Royal Greenwich Strategy will be:

Prosperity - *increasing prosperity so that all our citizens benefit from an improved quality of life and better outcomes*

Equality – *ensuring that all of the borough's residents are able to access the benefits of physical regeneration and economic growth*

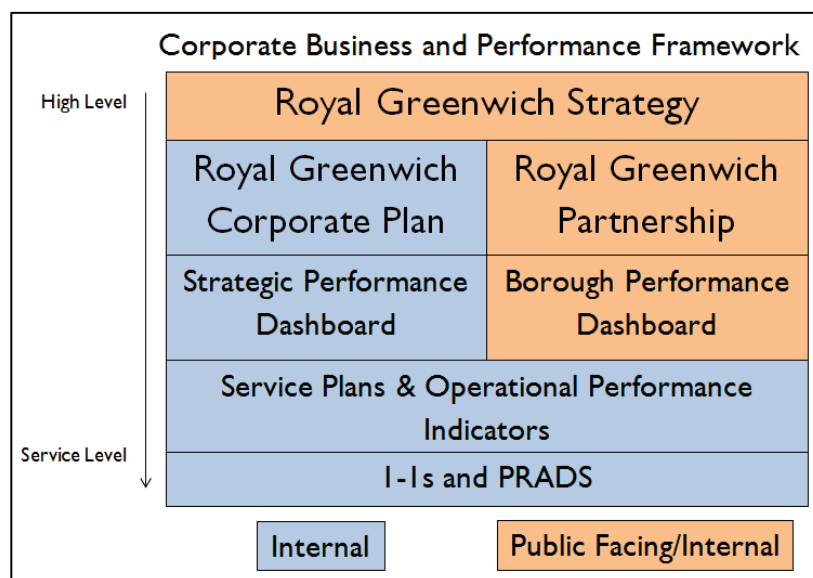
Inclusion - *a commitment to engaging, empowering and involving citizens in the design, commissioning and, where appropriate, the delivery of local services*

Cohesion - *a commitment to bringing partners, communities and individuals together to support the delivery of high quality, responsive and value for money local services, and to work towards a society in which there is a common vision and sense of belonging by all communities; a society in which the diversity of people's backgrounds and circumstances is appreciated and valued; a society in which similar life opportunities are available to all; and a society in which strong and positive relationships exist and continue to be developed*

Sustainability - *promoting environmental sustainability and the effective management of public places and buildings*

How does it all fit together?

The Corporate Business and Performance Framework is one, simple model for the way in which the Council operates, accounting for the key policy drivers, corporate delivery mechanisms, corporate partnership arrangements and the production of service plans to inform service delivery.



Medium Term Financial Strategy (MTFS)

The MTFS plays a core role at the heart of the Council's Corporate Business and Performance Framework. By interacting with the priorities set out in the business plan, it will bring those plans into one place to produce a financial strategy with which the Council can ensure that:

- each plan is commensurate with the resources available
- there is sufficient financial capacity overall
- financial delivery risk can be monitored and controlled through the new performance reporting environment.

In the last two years alone, RSG has reduced by £46m and the forecast through to 2019/20 is for a further £39m reduction, taking the overall drop from £110m to £25m. The risk is that the forecast residual £25m could reduce further over the next few years as the government refines the economic and fiscal position.

The case has been made for a strategic and robust response to the challenge in order to continue to deliver financial stability and resilience for the Council in the medium to long term. The Council agreed to make early savings and to invest any one off budget premium in support of the revenue budget in order to achieve a sustainable financial position going forward. In pursuit of the savings objective, several workstreams were agreed, including:

- **Workforce Strategy**
 - to recruit and retain a skilled and diverse workforce which is representative of our local community
 - to develop employees skills, knowledge and performance to enhance services and deliver the right people in the right place at the right time
 - to reduce the reliance on agency staff and develop career / succession planning for future proofing
- **Social Care Transformation**
 - to provide a financially sustainable model of support and service
 - to improve outcomes
- **Growth / Investment**
 - to increase numbers of dwellings and businesses
 - the authority has a strong property and financial asset base, which it intends to utilise to full effect - through “sweating our assets”, maximum value will be harvested through processes including reviewing land / building use, assessing options for acquisition / disposal and reviewing lettings
 - building upon the previously agreed £70m programme of major investment to support wider priorities - these investments pay dividends in a number of ways:
 - increasing rental income plus council tax and business rates
 - saving current expenditure
 - enhancing service delivery
 - increasing the value of the asset base.

Furthermore, a streamlined management structure for the Council has been introduced to fully support the Council’s future agenda.

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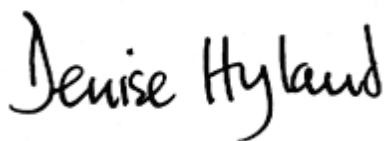
The MTF5 is balanced, generating a Budget Efficiency Premium in excess of £17m to be deployed on priority areas.

Budget Element	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Loss of Government Funding	11.320	21.912	32.775	39.377
Adult Social Care Income	(1.360)	(4.161)	(11.081)	(17.207)
Workstream Savings	(25.985)	(26.285)	(26.585)	(26.585)
Council Tax Increase	(1.360)	(1.360)	(1.360)	(1.360)
New Expenditure	5.175	5.475	5.775	5.775
Budget Deficit / (Surplus)	(12.210)	(4.419)	(0.476)	0.000

Conclusion

Subject to the government fully funding any transfers of responsibility for functions and maintaining the New Burdens principles, this Efficiency Plan demonstrates that the authority has:

- balanced its budget into the medium term future utilising the governments forecast of grant available
- taken a step towards reducing the risk of even further RSG reductions occurring in the next few years compared to the current forecast
- put in place the necessary strategies, policies and processes to deliver effective and efficient services to the community.



Councillor Denise Hyland
Leader of the Council



John Comber
Chief Executive