

# **Worcestershire County Council**

## **Annual Efficiency Statement**

**Backward Look**

**July 2008**

# Annual efficiency statement - backward look

**Local authority** Worcestershire County Council  
**Contact name** Tony Dipple  
**Job title** Head of Financial Appraisal  
**Email address** [adipple@worcestershire.gov.uk](mailto:adipple@worcestershire.gov.uk)

## Statement

### Overarching Key Actions Taken

Worcestershire County Council is a four star authority, which focuses on delivering excellent and continuously improving services, with our partners, to meet the needs of our communities. Including communities, as service users and in the wider sense, is an essential part of our processes. Whilst historically we have always been in the lower quartile in terms of funding and council tax (the fourth lowest funded County Council in the country with one of the lowest council tax rates), we strive for upper quartile performance and for continuous improvement and efficiency. We are driven by the things that are important to local people.

We have maintained Annual CPA and Direction of Travel Assessments in 2005, 2006 and 2007 as a four star authority that is Improving Well, whilst also achieving a rating of 4 in its Use of Resources assessment with particularly strong performances in financial reporting and Value for Money (4 out of 4 three years running).

At the end of 2006/07 we reported cumulative efficiency gains of £15.200 million, £2.007 million ahead of our target of £13.193 million.

The Council's cumulative target for efficiency gains for 2007/08 is £19.789 million, and we are pleased to be able to report cumulative efficiency gains of £26.719 million, exceeding this target by £6.930 million.

This has been achieved through a combination of measures, including better procurement, review of office space utilisation, use of I.T. and a full and honest review of service delivery. These programmes, and indeed these results, were made possible by both strong and robust leadership and full and enthusiastic engagement at all levels.

This work and level of commitment will continue into CSR07.

	Ongoing gains sustained from 2006/07 (£)		Further gains achieved in 2007/08 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2007/08 (£)			
Title	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Related links	
Adult social services	3,997,041	3,674,319	2,430,642	2,430,642	2,430,642	2,430,642	6,427,683	6,104,961	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>						<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>	
	Non-approved indicator (enter 0 in 2006/07 and 1 in 2007/08 and explain in the text box)						1	0	No	
	<p><b>Key actions undertaken to achieve efficiency gain:</b> Review of management structures and staffing establishment. Review of inflation uplifts negotiated with externally contracted service providers. Review of care packages to ensure current care needs are met in the most appropriate way.</p> <p><b>Quality crosscheck notes:</b> The Quality Cross Check for Adults Social Services is the CPA Social Care for Adults sub score. This was 3 in 2003, 2004, 2005 and 2006. It has, however, dropped to 2 in 2007.</p> <p>As noted annually in the AES Report, the nature of the efficiency gains reported are more general than the suggested quality cross checks. As such, it is our contention that the fall in rating is not as a result of the efficiencies made. A fact noted by CSCI was that performance management arrangements are strong and that within common performance indicators between the comparable years there has been significant overall improvement.</p> <p>Indeed, the drop in rating is as a result of the downgrading from 'excellent' to 'promising' in 'Capacity to Improve Services'. This grading, according to CSCI, is due to changes in leadership within the authority during the year, and changes within partner agencies – notably the Primary Care Trust which merged three bodies into one during the period. CSCI do acknowledge that despite these changes, the council is rapidly developing a strategic alliance with the PCT including the development of an overarching partnership framework under the Health Act and improved systems of governance for joint working in the County. Indeed, the Commission recognised the Joint Strategic Needs Analysis commenced in January 2006 that will lead to commissioning strategies that are fully shared with the PCT during 2008.</p> <p>The Commission also acknowledged reductions in turnover, vacancies and sickness absence, as well as the integrated management arrangements that are now in place for staff in learning disability and mental health services and the appointment of both a Project Manager to develop Joint Commissioning and the Joint Director of Public Health.</p> <p>Significantly, as a result of the staffing changes mentioned (which are not related to the efficiency savings) the Council has submitted late data on the ethnic monitoring of staff that meant that there is a key threshold, limiting the Council to "good" overall for delivery of outcomes; a fact noted by the Commission.</p> <p>Note that in 2004/05 a different Quality Cross Check was used - Older People helped to live at home (PAF C32). This rating has shown consistent improvement year on year.</p>									
Children's services	1,744,705	1,294,535	100,000	99,702	100,000	99,702	1,844,705	1,394,237	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>						<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>	
	Non-approved indicator (enter 0 in 2006/07 and 1 in 2007/08 and explain in the text box)						1	1	Yes	
<p><b>Key actions undertaken to achieve efficiency gain:</b> Disaggregating the Children's Social Care budget from Social Services, with some reduction in 'back office' support services.</p> <p><b>Quality crosscheck notes:</b> The contribution to the overall County CPA via the Annual Performance Assessment for education and children's social care. The final judgement was 4 in 2006 and 2007.</p>										

	Ongoing gains sustained from 2006/07 (£)		Further gains achieved in 2007/08 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2007/08 (£)			
Title	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Related links	
Culture and sport	417,104	263,397	124,873	90,675	124,873	90,675	541,977	354,072	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>									
								<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>
	Non-approved indicator (enter 0 in 2006/07 and 1 in 2007/08 and explain in the text box)							1	1	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Savings gained from a staffing review, as well as reviews of the library service and Record Office.										
<b>Quality crosscheck notes:</b> Score was 2 in all of 2005/06, 2006/07 and 2007/08.										
Environmental services	734,437	714,641	1,650,461	1,650,461	1,650,461	1,650,461	2,384,898	2,365,102	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>									
								<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>
	Percentage sum of household waste arisings that have been: (a) sent by the Authority for recycling (BV82a i); (b) sent by the Authority for composting or treatment by anaerobic digestion (BV82b i); and (c) used to recover heat, power and other energy sources (BV82c i)							1	1	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Efficiencies were gained in reducing the waste tonnage and in Directorate restructuring.										
<b>Quality crosscheck notes:</b> For 2006/07: BV82a i = 22.50%, BV82b i = 9.78%, BV82c i = 8.98%. For 2007/08: BV82a i = 27.48%, BV82b i = 10.55%, BV82c i = 9.29%.										
Local transport (highways)	481,879	323,931	389,283	237,231	389,283	237,231	871,162	561,162	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>									
								<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>
	Number of killed or seriously injured road casualties (BV99a i)							268	297	No
<b>Key actions undertaken to achieve efficiency gain:</b> Highways maintenance reorganisation, Directorate restructuring.										
<b>Quality crosscheck notes:</b> Although the number of killed or seriously injured has risen, the ongoing trend is downwards. Indeed, we are consistently ahead of the 10 year targets, which in 2006/07 was 401 and in 2007/08 was 377 (thus, ahead of the 10 year target by 80).										
Local transport (non-highways)	306,558	96,777	158,517	0	158,517	0	465,075	96,777	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>	
	<b>2007/08 Primary quality crosscheck</b>									
	<b>Quality crosscheck</b>									
								<b>2006/07</b>	<b>2007/08</b>	<b>Quality crosscheck met?</b>
	Number of local bus passenger journeys (BV102)							15,358,246	15,797,162	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Continuing and improved impact of prior year actions.										
<b>Quality crosscheck notes:</b> 2004/05 Bus Passenger numbers 13,017,094 2005/06 Bus Passenger numbers 13,075,010 2006/07 Bus Passenger numbers 15,358,246 2007/08 Bus Passenger numbers 15,797,162										

	Ongoing gains sustained from 2006/07 (£)		Further gains achieved in 2007/08 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2007/08 (£)		
Title	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Related links
LA social housing (capex)	0	0	0	0	0	0	0	0	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>
	<b>2007/08 Primary quality crosscheck</b>								
	<b>Quality crosscheck</b>								
	No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)								
	0		0		0		0	0	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Not applicable.									
<b>Quality crosscheck notes:</b>									
LA social housing (other)	0	0	0	0	0	0	0	0	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>
	<b>2007/08 Primary quality crosscheck</b>								
	<b>Quality crosscheck</b>								
	No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)								
	0		0		0		0	0	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Not applicable.									
<b>Quality crosscheck notes:</b>									
Non-school educational services	815,292	539,477	1,091,447	1,091,234	1,091,447	1,091,234	1,906,739	1,630,711	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>
	<b>2007/08 Primary quality crosscheck</b>								
	<b>Quality crosscheck</b>								
	CPA score for Children and Young People (Average score for all five aspects)								
	4		4		4		4	4	Yes
<b>Key actions undertaken to achieve efficiency gain:</b> Children's Services restructuring, to shorten the distance between strategic leadership and front line delivery. Reducing the school intervention budget in line with reduced need. Further reduction in external high cost placements for children with complex needs. Reduction of advertising costs and streamlining of communications.									
<b>Quality crosscheck notes:</b> CPA score for Children and Young People maintained at 4.									

	Ongoing gains sustained from 2006/07 (£)		Further gains achieved in 2007/08 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2007/08 (£)										
Title	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Related links								
Supporting people	2,437,176	1,355,117	4,056,838	759,772	4,056,838	759,772	6,494,014	2,114,889	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>								
	<b>2007/08 Primary quality crosscheck</b>																
	<b>Quality crosscheck</b>																
	Non-approved indicator (enter 0 in 2006/07 and 1 in 2007/08 and explain in the text box)																
	<table border="1"> <thead> <tr> <th></th> <th>2006/07</th> <th>2007/08</th> <th>Quality crosscheck met?</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>0</td> <td>No</td> <td></td> </tr> </tbody> </table>											2006/07	2007/08	Quality crosscheck met?	1	0	No
	2006/07	2007/08	Quality crosscheck met?														
1	0	No															
<p><b>Key actions undertaken to achieve efficiency gain:</b> Supported living schemes were reviewed to ensure their effectiveness. Most contracts were renegotiated, some with increased capacity, some with reduced costs.</p> <p><b>Quality crosscheck notes:</b> The Quality Cross Check for Adults Social Services is the CPA Social Care for Adults sub score. This was 3 in 2003, 2004, 2005 and 2006. It has, however, dropped to 2 in 2007.</p> <p>As noted annually in the AES Report, the nature of the efficiency gains reported are more general than the suggested quality cross checks. As such, it is our contention that the fall in rating is not as a result of the efficiencies made. A fact noted by CSCI was that performance management arrangements are strong and that within common performance indicators between the comparable years there has been significant overall improvement.</p> <p>Indeed, the drop in rating is as a result of the downgrading from 'excellent' to 'promising' in 'Capacity to Improve Services'. This grading, according to CSCI, is due to changes in leadership within the authority during the year, and changes within partner agencies – notably the Primary Care Trust which merged three bodies into one during the period. CSCI do acknowledge that despite these changes, the council is rapidly developing a strategic alliance with the PCT including the development of an overarching partnership framework under the Health Act and improved systems of governance for joint working in the County. Indeed, the Commission recognised the Joint Strategic Needs Analysis commenced in January 2006 that will lead to commissioning strategies that are fully shared with the PCT during 2008.</p> <p>The Commission also acknowledged reductions in turnover, vacancies and sickness absence, as well as the integrated management arrangements that are now in place for staff in learning disability and mental health services and the appointment of both a Project Manager to develop Joint Commissioning and the Joint Director of Public Health.</p> <p>Significantly, as a result of the staffing changes mentioned (which are not related to the efficiency savings) the Council has submitted late data on the ethnic monitoring of staff that meant that there is a key threshold, limiting the Council to "good" overall for delivery of outcomes; a fact noted by the Commission.</p>																	
Homelessness	0	0	0	0	0	0	0	0	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>								
	<b>2007/08 Primary quality crosscheck</b>																
	<b>Quality crosscheck</b>																
	No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)																
<table border="1"> <thead> <tr> <th></th> <th>2006/07</th> <th>2007/08</th> <th>Quality crosscheck met?</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0</td> <td>Yes</td> <td></td> </tr> </tbody> </table>											2006/07	2007/08	Quality crosscheck met?	0	0	Yes	
	2006/07	2007/08	Quality crosscheck met?														
0	0	Yes															
<b>Key actions undertaken to achieve efficiency gain:</b> Not applicable.																	
<b>Quality crosscheck notes:</b>																	
<b>Other cross-cutting efficiencies not covered above</b>																	
Corporate services	1,635,815	1,312,005	1,472,340	1,218,929	1,472,340	1,218,929	3,108,155	2,530,934	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>								
	<b>2007/08 Primary quality crosscheck</b>																
	<b>Quality crosscheck</b>																
	No deterioration in CPA 'Use of Resources' score (0=No, 1=Yes)																
<table border="1"> <thead> <tr> <th></th> <th>2006/07</th> <th>2007/08</th> <th>Quality crosscheck met?</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>1</td> <td>Yes</td> <td></td> </tr> </tbody> </table>											2006/07	2007/08	Quality crosscheck met?	1	1	Yes	
	2006/07	2007/08	Quality crosscheck met?														
1	1	Yes															
<b>Key actions undertaken to achieve efficiency gain:</b> Savings made on recruitment advertising by centralising function and gaining economies of scale, and from recruitment agencies by obtaining better rates. Also, reduction in in-house IT support due to better training etc. Rationalisation of back-office functions.																	
<b>Quality crosscheck notes:</b> No deterioration in CPA "Use of Resources" score.																	

	Ongoing gains sustained from 2006/07 (£)		Further gains achieved in 2007/08 (£)		...of which expected to be ongoing (£)		Cumulative gains as at end of 2007/08 (£)																					
Title	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Total gains	...of which cashable (£)	Related links																			
Procurement - goods and services	1,394,907	1,394,907	228,093	214,093	228,093	214,093	1,623,000	1,609,000	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>																			
	2007/08 Primary quality crosscheck																											
	Quality crosscheck																											
	<table border="0"> <tr> <td></td> <td>2006/07</td> <td>2007/08</td> <td>Quality crosscheck met?</td> <td colspan="6"></td> </tr> <tr> <td>Content and implementation of Corporate Procurement Strategy reviewed in the last year (0=No, 1=Yes)</td> <td>1</td> <td>1</td> <td>Yes</td> <td colspan="6"></td> </tr> </table>										2006/07	2007/08	Quality crosscheck met?							Content and implementation of Corporate Procurement Strategy reviewed in the last year (0=No, 1=Yes)	1	1	Yes					
	2006/07	2007/08	Quality crosscheck met?																									
Content and implementation of Corporate Procurement Strategy reviewed in the last year (0=No, 1=Yes)	1	1	Yes																									
Key actions undertaken to achieve efficiency gain: Review of telecoms contract. Economies of scale gained by partnering with other Authorities for purchasing.																												
Quality crosscheck notes:																												
Procurement - construction	0	0	0	0	0	0	0	0	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>																			
	2007/08 Primary quality crosscheck																											
	Quality crosscheck																											
	<table border="0"> <tr> <td></td> <td>2006/07</td> <td>2007/08</td> <td>Quality crosscheck met?</td> <td colspan="6"></td> </tr> <tr> <td>No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)</td> <td>0</td> <td>0</td> <td>Yes</td> <td colspan="6"></td> </tr> </table>										2006/07	2007/08	Quality crosscheck met?							No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)	0	0	Yes					
	2006/07	2007/08	Quality crosscheck met?																									
No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)	0	0	Yes																									
Key actions undertaken to achieve efficiency gain: Not applicable.																												
Quality crosscheck notes:																												
Productive time	129,062	5,162	106,938	28,838	106,938	28,838	236,000	34,000	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>																			
	2007/08 Primary quality crosscheck																											
	Quality crosscheck																											
	<table border="0"> <tr> <td></td> <td>2006/07</td> <td>2007/08</td> <td>Quality crosscheck met?</td> <td colspan="6"></td> </tr> <tr> <td>Working days lost to sickness absence (BV12)</td> <td>1</td> <td>1</td> <td>Yes</td> <td colspan="6"></td> </tr> </table>										2006/07	2007/08	Quality crosscheck met?							Working days lost to sickness absence (BV12)	1	1	Yes					
	2006/07	2007/08	Quality crosscheck met?																									
Working days lost to sickness absence (BV12)	1	1	Yes																									
Key actions undertaken to achieve efficiency gain: Continuing and improved impact of prior year actions.																												
Quality crosscheck notes: 2005/06 8.73 days 2006/07 8.45 days 2007/08 7.88 days																												
Transactions	0	0	0	0	0	0	0	0	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>																			
	2007/08 Primary quality crosscheck																											
	Quality crosscheck																											
	<table border="0"> <tr> <td></td> <td>2006/07</td> <td>2007/08</td> <td>Quality crosscheck met?</td> <td colspan="6"></td> </tr> <tr> <td>No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)</td> <td>0</td> <td>0</td> <td>Yes</td> <td colspan="6"></td> </tr> </table>										2006/07	2007/08	Quality crosscheck met?							No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)	0	0	Yes					
	2006/07	2007/08	Quality crosscheck met?																									
No efficiency gains to be reported in this sector, (enter 0 in 2006/07 and 0 in 2007/08)	0	0	Yes																									
Key actions undertaken to achieve efficiency gain: Not applicable.																												
Quality crosscheck notes:																												
Miscellaneous efficiencies	522,003	522,003	293,340	202,340	293,340	202,340	815,343	724,343	<a href="#">Documents</a> <a href="#">People</a> <a href="#">Projects</a>																			
	2007/08 Primary quality crosscheck																											
	Quality crosscheck																											
	<table border="0"> <tr> <td></td> <td>2006/07</td> <td>2007/08</td> <td>Quality crosscheck met?</td> <td colspan="6"></td> </tr> <tr> <td>Overall CPA score (0=Poor, 1=Weak, 2=Fair, 3=Good, 4=Excellent)</td> <td>4</td> <td>4</td> <td>Yes</td> <td colspan="6"></td> </tr> </table>										2006/07	2007/08	Quality crosscheck met?							Overall CPA score (0=Poor, 1=Weak, 2=Fair, 3=Good, 4=Excellent)	4	4	Yes					
	2006/07	2007/08	Quality crosscheck met?																									
Overall CPA score (0=Poor, 1=Weak, 2=Fair, 3=Good, 4=Excellent)	4	4	Yes																									
Key actions undertaken to achieve efficiency gain: No significant changes.																												
Quality crosscheck notes:																												
Total	14,615,979	11,496,271	12,102,772	8,023,917	12,102,772	8,023,917	26,718,751	19,520,188																				

**Backward Look**

**July 2008**

.....  
**Mike Weaver**  
**Director of Financial Services**

.....  
**Trish Haines**  
**Chief Executive**

.....  
**George Lord**  
**Leader of the Council**

**Date.....**