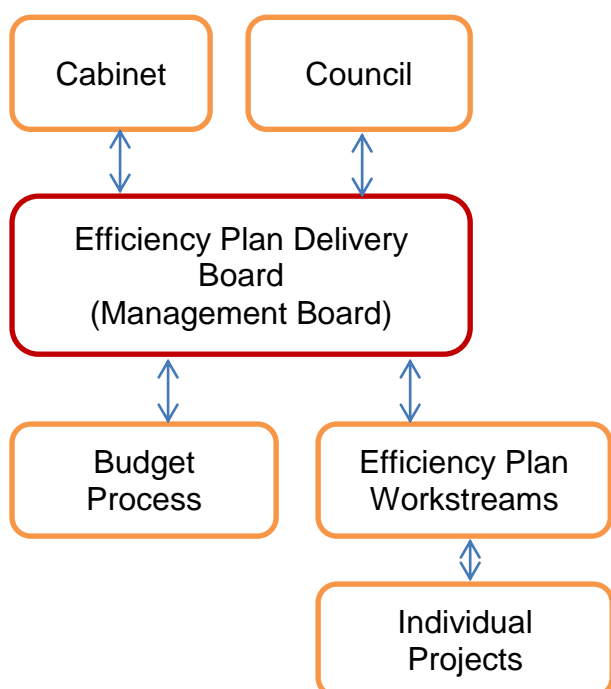




Delivery of Efficiency Plan – Governance Processes

The approval of the Efficiency Plan in September 2016 marks the start of a delivery process which will continue throughout its five year life. During this period the targets and delivery methods for the achievement of savings will be refined and further detail agreed.

It is proposed that delivery of the plan is driven by an Efficiency Plan Delivery Board (EPDB). The diagram below illustrates how this would interact with Members and the individual workstreams and projects within the plan.



Terms of Reference

The terms of reference for the EPDB, including its delegated decision making powers, frequency of meetings etc. will need to be agreed at its first meeting. Its role will include:

- Monitoring progress against targets
- Reviewing risks by exception
- Reviewing key actions

Business Cases / Plans

All projects will need to be supported by a robust business case or plan in order to justify the investment of staff time, any funding from reserves or capital investment. The required content of these business cases or plans is to be agreed by the EPDB, along with the criteria to be used to justify investment. Training will be needed in order to ensure a consistent and quality approach.

Project Governance

Individual projects will be sponsored by a member of Management Board, supported by project boards and project teams as required – the governance processes in relation to individual projects will be proportionate to the scale of the project. However, all projects must be properly project managed, including the setting of a realistic project plan and the development and maintenance of a project risk register. Progress against the project plan will be monitored and reported to the EPDB.

Consideration will be needed as to whether the necessary skills and capacity exists within the organisation.

Gateway Process

Individual projects will not commence until being signed off by EPDB through a project gateway process, the details of which are to be developed.

Drawdown from Reserves to Fund Efficiency Plan

The Council's earmarked reserves are being consolidated in order to provide a focus on delivery of the Efficiency Plan and strategic investments in support of Corporate Plan priorities. In order to support this, the existing process has been enhanced so that all proposed drawdowns from earmarked reserves will need to be approved by the Chief Executive.

Interaction with Annual Budget Process

The Efficiency Plan sets out the way in which the Council will achieve a balanced budget over the medium term, by identifying key efficiency projects that will drive out savings. In addition, the Council will continue to undertake a detailed budget process to ensure that the expenditure and income relating to the provision of existing services is properly budgeted. This annual budget process will focus in detail on the forthcoming financial year, whilst also identifying any medium term impact on the Efficiency Plan targets.

Monitoring and Reporting

Management Board currently receive regular monthly budget monitoring reports, supported by a dashboard highlight report. This reporting relates predominantly to the in-year position and forecast financial outturn for the year. Capital and revenue monitoring is reported to Cabinet on a quarterly basis. This will include reporting on progress against in-year savings.

It is proposed that the EPDB receives an update on progress in relation to the Efficiency Plan on a quarterly basis, although perhaps more regularly at key times of the year. This would suggest that it meets 4 to 6 times per year. Reporting will include project progress, actions and key risks as well as financial figures. New processes will need to be established to facilitate this.