

REPORT TO THE EXECUTIVE		Report No. 10
Date of Meeting	20 September 2007	
Title of Report	Gershon Annual Efficiency Statement 2006-07 Backward Look	
Portfolio	Leader's Responsibilities	
Link to Corporate Priorities	Customers	
Key Decision	No	
Executive Workplan Ref	B334	
Public Report	Yes	

<p>Summary of Report</p> <p>To present the backward looking Annual Efficiency Statement for 2006-07 to the Executive for their information.</p>
<p>Officer Recommendation</p> <p>That the Executive note the backward looking Annual Efficiency Statement for 2006-07 that was submitted to the Government in July 2007.</p>

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.				
Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
Yes	None	None	None	None

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1. Introduction

- 1.1 The backward looking Annual Efficiency Statement (AES) for 2006/07, as set out in Appendix 1, was signed off by the Leader of the Council, the Chief Executive and the Section 151 Officer, prior to its submission to the Government in July 2007.

2. Background Information

- 2.1 The Spending Review 2004 ("the Gershon report") set efficiency gains targets for central and local government.
- 2.2 The challenge of Gershon is to deliver greater cost effectiveness in 2 ways:
- To move funding from 'back-office' functions to improve front-line customer services through partnerships, better procurement and e-government.
 - To make productivity gains in front-line services.
 - Efficiency gains can be cashable (i.e. where funding can be realigned) or non-cashable (i.e. more productive use of time through service improvement etc.)
- 2.3 The Council has to:
- Identify efficiency savings of 2.5% (of 2004/05 baseline service expenditure) every year for 3 years (7.5% by end of 2007/8) – at least half of which should be 'cashable'. All efficiency gains should be without detriment to service quality.
 - Produce an Annual Efficiency Statement (AES) twice a year:
 - A forward-looking statement explaining the efficiency strategy, key actions and expected financial savings for the coming financial year.
 - A backward-looking statement, reporting on achievement.
- 2.4 The backward looking AES is audited every year by the Audit Commission, as part of the 'Use of Resources' assessment.
- 2.5 The Audit Commission expect the backward looking AES to be presented to the Executive for their information. However, the AES is signed off by the Leader, the Chief Executive and the Section 151 Officer prior to its submission to the Government. This backward looking AES for 2006/07 was submitted to the Government in July 2007 in accordance with the agreed national timescale.

3. Financial Implications

- 3.1 The backward looking AES for 2006/07 sets out how the Council achieved (and exceeded) its efficiency targets for 2006/07, many of which were set out in the budget for 2006/07.

4. Risk Analysis

- 4.1 There are no risks associated with this report.

Appendices:	Appendix 1 - Annual Efficiency Statement - Backward Look - 2006/07
Background Documents Used in the Preparation of this Report:	<ul style="list-style-type: none"> • None

Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference
Budget Proposals 2006/07	Council, 21 February 2006	C92