

TYNE AND WEAR FIRE AND RESCUE AUTHORITY

Item No

MEETING: 15 June 2009

SUBJECT: ANNUAL EFFICIENCY STATEMENT

REPORT OF THE CHIEF FIRE OFFICER, FINANCE OFFICER AND CLERK TO THE AUTHORITY

1 INTRODUCTION

1.1 This report informs Members of the contents of the Annual Efficiency Statements (AES) which are due to be submitted to the Department for Communities and Local Government (CLG) on the 20th July 2009, in accordance with Fire Service Circulars 15/2009 and 31/2009. These Circulars covered the Backward Looking AES for 2008/09, and the Forward Looking AES for 2009/2010.

2 BACKGROUND

2.1 Members will recall that an efficiency framework was introduced to cover the CSR07 reporting period which runs from 2008/09 to 2011/12.

2.2 The national efficiency target for the Fire and Rescue Service was set as a cashable net annual efficiency saving of £110 million. This equates to approximately 1.6% per annum over the CSR07 period which, in the case of this Authority, amounts to approximately £912,000 per annum over the three years in question.

3 REPORTING PROCESS

3.1 Both the Backward Looking and Forward Looking efficiency statements are required to be submitted to CLG by 20th July 2009. The attached appendices show the efficiencies that have been achieved in 2008/09 (Appendix A) together with a forecast on what is expected to be achieved in 2009/10 (Appendix B).

3.2 The current, and future efficiencies, are associated with initiatives arising from the Integrated Risk Management Planning process and from proposals emanating from staff as part of the Authority's value for money framework. These have included a reduction in the ridership factor due to improved sickness absence levels, several revisions to departmental structures and a reduction in ill-health retirement costs due to improved management processes. As a consequence of these actions the following has been achieved:

- The Backward Looking AES shows cumulative cashable efficiency gains to the value of £1.1m, or 1.96%, by the end of March 2009. It is pleasing to note, therefore, that the Authority has exceeded the target of 1.6% set by CLG.

3.3 With regard to the forward look AES 2009/10 it is currently estimated that the following will be achieved:

- A cumulative cashable efficiency gain of £2.1m or 3.79% by the end of 2009/10. It is worth noting that this figure is above the 3.2% target required by CLG.

4 EQUALITY AND FAIRNESS IMPLICATIONS

4.1 There are no equality and fairness implications in respect of the specific content of this report.

5 HEALTH AND SAFETY IMPLICATIONS

5.1 There are no health and safety implications in respect of the specific content of this report.

6 RECOMMENDATIONS

6.1 The Authority is requested to

- a) Consider and approve the efficiency statements attached as Appendices A and B, and
- b) Receive further reports as required.

BACKGROUND PAPERS

The following background papers refer to the subject matter of this report:

Fire Service Circular 15/2009
Fire Service Circular 31/2009

Efficiency gains realised for the financial year 2008-2009

Appendix A

All figures £'000								
Category	Quality cross-check (QCC) met	Recurring	Capital	Revenue	Annual cashable efficiency gain 2008-09	Cumulative cashable efficiency gain	Annual non-cashable efficiency gain	Cumulative non-cashable efficiency gain
IRMP savings		Recurring			0	0	0	0
HR savings	Local Measures, internal service levels, PI's	Recurring	No	Yes	913	913	0	0
Procurement	Procedures for specifications, whole life costing, etc are monitored and adhered to in all procurement activities	Recurring	No	Yes	189	189	0	0
Other	Local Measures, CPA CAA score	Recurring	No	Yes	14	14	0	0
Total					1,116	1,116	0	0

Efficiency gains planned for the financial year 2009-2010

Appendix B

All figures £'000								
Category	Quality cross-check (QCC) met	Recurring	Capital	Revenue	Annual cashable efficiency gain 2008-09	Cumulative cashable efficiency gain	Annual non-cashable efficiency gain	Cumulative non-cashable efficiency gain
IRMP savings	Health & Safety statistics, PI's, Local Measures	Recurring	No	Yes	457	457	0	0
HR savings	Local Measures, internal service levels, PI's	Recurring	No	Yes	423	1336	0	0
Procurement	Procedures for specifications, whole life costing, etc are monitored and adhered to in all procurement activities	Recurring	No	Yes	0	189	0	0
Other	Local Measures, CPA/CAA scores	Recurring	No	Yes	164	178	0	0
Total					1,044	2,160	0	0