

# Rother District Council Sustainability and Efficiency Plan 2016/17 to 2019/20



Development of 50,000 square metres of commercial land and 1,500 new homes at NE Bexhill

## Introduction

This sustainability and efficiency plan forms part of the Council's Medium Term Financial Strategy (MTFS). The MTFS explains how the Council plans to manage its finances over the coming four years to 2019/20. It establishes the financial framework within which the Council operates and supports the delivery of the Council's Corporate Plan. The MTFS covers three main areas, the Revenue Budget, Capital Programme and Reserves. The Sustainability and Efficiency Plan forms part of the MTFS and is focused primarily on how the Council will drive down costs and reduce waste in the delivery of services to the residents, businesses and visitors to the Rother district.

Rother's [Corporate Plan](#) forms the backbone of how we see the district developing. Our vision is that Rother district will be recognised for its high quality of life, as a place where there is a strong emphasis on community and neighbourhoods. This will be achieved by continuing to support and further encourage the development of vibrant, strong, safe and inclusive communities.

- We want to see greater economic prosperity through the emergence of an educated and skilled workforce in well paid employment.
- We want to see individuals and groups and local communities able to take on more responsibilities.
- We want Rother to be a place that is able to attract and retain young people.
- We want to encourage a local identity that welcomes all people.
- We want to tackle deprivation.
- We want to retain confidence in public safety.
- We want our residents to be housed in homes that are warm and have modern facilities.
- We want our residents to have the opportunity of being pro-active in sport as well as cultural activities leading to a greater community spirit and a healthy lifestyle for everyone.
- We want to see our outstanding countryside and coastline carefully managed, conserved and promoted for their contribution to our quality of life.
- We want to see a range of transport options which meet the needs of people living, visiting and working in the district.

We will deliver this vision through our key aims, which are:

1. An Efficient, Flexible and Effective Council
2. Sustainable Economic Prosperity
3. Stronger, Safer Communities
4. A Quality Physical Environment

Aside from the day to day delivery of services, these key aims have been reflected in 29 practical projects contained within our [Corporate Plan](#) and this has been further enhanced by working with an external consultant to achieve an overall view of what good would look like for the district by 2020 (Rother 20/20). The ultimate aim is to ensure we deliver the services that are relevant and important to our residents while also achieving the financial approach set out in our Medium Term Financial Strategy [MTFS](#). The Council operates in an environment of ongoing reductions in central government funding up to 2019/20.

## What we have achieved so far

- 2012-2016 - £4m savings and achieved a balanced budget in 2016/17 ([Revenue Budget](#)) as set out below.
- 2 staff restructures.
- 2012-2016 – on a like for like basis, a third of the workforce made redundant including the Chief Executive. ([Senior Staff Structure](#))
- Joint working – including joint waste contract with 4 councils and disposal authority, grounds maintenance contract with other council and social housing provider.
- Investments - (New £3m investment in commercial space at Elva Way, rented vacant office accommodation to the Department for Works and Pensions).
- Devolvement of facilities to local communities (allotments, rural car parks).
- Shared services (environmental health, legal, building control, shared financial systems).
- Investment in home and flexible working (ICT investment).

Running alongside this programme, and contributing to some of the outcomes there are a number of other pieces of work being undertaken on a local and regional basis. The Council has commenced a comprehensive review of all its assets. There were three main objectives of that review: to improve rental income; to reduce costs associated with the management of assets and improve on the return of capital invested; and to support economic regeneration and delivery of the Corporate Plan. Alongside this review, the Council is an active member of the SPACES (Strategic Property Asset Collaboration in East Sussex) partnership and a notable achievement from this partnership has been the relocation of the Bexhill JobCentre Plus office into the Council's main office building. Work to examine co-location with other partners within SPACES is continuing and positive results are expected over the coming financial years.

The Council is a member of the three southern counties (3SC) partnership that comprises all County Councils and District and Borough Councils from East Sussex, West Sussex and Surrey. The partnership is seeking a devolution deal with the government to secure substantial additional funding to enable the accelerated development of new housing, new/improved infrastructure and to improve the skills of people in the region. The outcome of the bid will be known in late 2016.

## Moving Forward

For 2017/18 to 2019/20 the expected funding gap is in the region of £1.8m against a 2016/17 net Revenue Budget of £11.8m. The following table shows the shortfall over these three years:

	2017/18 £	2018/19 £	2019/20 £
<b>FUNDING GAP</b>	<b>338,170</b>	<b>738,470</b>	<b>731,210</b>

In order to address this challenge the Council is taking a number of steps under the banner of Rother 20/20. Working with external consultants, the Council has shaped what good would look like in Rother by 2020 and has a clear view of what success would mean by 2025. This work resulted in the following seven areas being identified:



This high level work was then broken down into five specific themed areas, each with a savings/income target attached to be achieved by 2020.

## Rother's 20/20 programme

### Prioritise Services – £0.3m

We have established the **values** that can be applied to each service provided by the Council to understand how each service contributes to those values. In arriving at these we have sought to understand how the views of the various stakeholders, including community, business and visitors, will vary and how the stage of life will alter their views. The core values are **Economic, Social and Environmental**.

Understanding our priorities is key to good decision making and resource allocation. In reviewing our services we have scored how each contributed to the three values above. Each value is also weighted as to its importance to the Corporate Plan and the area for the future. Economic value has the highest weighting as improving the economic prosperity of Rother is how the Council will achieve financial self-sustainability and maintain those services which provide the safety net to those most vulnerable in our community.

### Increase Income – £0.6m

The Council will be increasing its locally derived income through a number of activities including:

- a. Land and property portfolio rationalisation – disposals and site acquisition
- b. Residential and commercial property investment through a special purpose vehicle to deliver new business premises and new Housing for market sale and rent
- c. Discretionary charging - aim for relevant services to break-even
- d. Housing growth delivering additional Council Tax receipts
- e. Business growth delivering additional business rate income

- f. New business opportunities – selling our services to others

### **Demand Management – £0.3m**

We will better understand where demand for services arises and how it is generated. This work will look to eliminate self-generated demand through poor quality communication. Further investment in technology will be required to change how services are delivered, increasing self-help for those residents who can and creating capacity within the Council to support the most vulnerable.

### **Business Process Improvement, lean systems review – £0.5m**

Being efficient in delivering services is a key aim for the Council. We will review how we deliver services, how our customers interact with us to remove waste and redundancy from our processes.

### **Organisational Form – £0.1m**

The form of the organisation has and will continue to change to meet the needs of our community and the resources we have available. We already work with other local authorities, private and voluntary sectors to deliver services and will continue to move towards greater integration with our partners through shared services, shared procurement and devolvement of functions. Investment in common ICT platforms will be a key element to achieving this ambition

### **Managing Risk**

There are a number of risks to managing delivery of the Sustainability and Efficiency Plan and MTFs. The primary risks are however, the Council's capacity to implement the changes and the speed at which they are implemented. The Council has established earmarked reserves which will help in two ways to mitigate the risks to delivering the plan. Firstly by using reserves to increase the capacity of the organisation (staffing and external support) to help implement and manage the changes. Secondly to manage any slippage in delivering the plan to smooth the impact on the revenue budget.

### **Governance**

The Plan has been agreed by the Council's Cabinet and signed off by the Leader of the Council. Monitoring progress against the key work streams will be the responsibility of the Council's Overview and Scrutiny Committee.

### **Conclusion**

The Council's Sustainability and Efficiency Plan is equally challenging and ambitious. Its delivery will improve the Council's income and make savings against its expenditure. We cannot do this on our own and through our workforce we will work closely with others, be they public, private or voluntary sectors. The plan is to achieve a financially sustainable Council that will secure the delivery of public services for the community of Rother.



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