

# Executive Summary

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Worcestershire County Council's performance on generating income from sales, fees and charges is in the second best quartile (i.e. better than average, but not amongst the best performing authorities). According to nationally submitted Revenue Outturn forms, in 2008/9, the Council generated approximately £58m through sales, fees and charges. If the Council were able to increase its performance to match the authority performing at the 75<sup>th</sup> percentile, then it would generate £11.1m more.

The potential figure of £11.1m assumes universal performance at the 75<sup>th</sup> percentile. However, if the authority could maintain its performance where it is currently performing above the upper quartile and improve those areas where performance is below, then the net gain would actually be greater. However, it is important to treat this conclusion with caution as further work is required to establish where significant variations are the result of different recording practices rather than different performance levels. Our initial work in this area does identify risks that can be considered in reviewing the results.

The largest potential area for gain in the Council is social care and in particular services for older people. According to the national benchmarks the Council recovered the smallest percentage of its costs of any English County. The difference between the actual performance and the 50<sup>th</sup> percentile was equivalent to £4.1m and much more than £5.3m to the 75<sup>th</sup> percentile.

These calculations are based on a number of assumptions:

- That Worcestershire County Council has compiled its CIPFA Revenue Outturn forms for 2008/9 accurately and in compliance with the documented guidance.
- That the data submitted by other authorities is accurate. Whilst there are likely to be variations in how information is captured between service blocks and service areas, it is unlikely that there are significant difference in overall terms service by service.

Where there are charts that contain less than 34 authorities, this indicates that one or more authorities have submitted a nil return for that cell in the form. This could be the result of a number of factors such as: no income generated, that service not provided or the information is captured elsewhere on the form. At this stage we are unable to establish the reasons for individual cases.

In noting these calculations, it is important to recognise that these are drawn from high level benchmarks and further analysis is required to interpret the nature of the opportunity and how to achieve it. Furthermore, Deloitte has not undertaken any work to audit or verify the individual Revenue Outturn forms submitted by authorities (including Worcestershire's own return) and therefore cannot guarantee on the accuracy of the source data used for the analysis.

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