



REPORT TO THE MEETING OF CABINET – 19 JUNE 2024

PORTFOLIO: LEADER – CLLR D BLACKWELL

REPORT FROM DIRECTOR CORPORATE & CUSTOMER

PRODUCTIVITY PLAN

1 PURPOSE OF REPORT

- 1.1 To present to Cabinet the proposed productivity plan for submission to Government.

2 LINKS TO COUNCIL'S PRIORITIES AND OBJECTIVES

- 2.1 As the productivity plan covers all aspects of the Council's business, this report links to all of the Council's priorities and objectives.

3 RECOMMENDATION

- 3.1 It is proposed that Cabinet **RESOLVES**

That the productivity plan, as set out in Appendix 2, be approved.

4 INTRODUCTION

- 4.1 On 16 April 2024, the Chief Executive received a letter from Minister Simon Hoare, Minister for Local Government at the Department for Levelling Up Housing and Communities (DLUHC), about productivity in local government, referencing the Local Government Finance Settlement announcement that all councils would be asked to produce productivity plans (see a copy of this letter in Appendix 1). The letter provided more details about expectations for the productivity plan, including addressing the following four themes:

- Transforming design and delivery of services;
- Taking advantage of technology and better use of data in decision-making;
- Plans to reduce wasteful spend; and

- Barriers preventing progress that Government can help to reduce or remove.

4.2 The letter outlined that the plan should be no longer than three or four pages and should be submitted to Government by 19 July 2024. The letter also stated that there should be Member oversight and endorsement of the plan before submission and that it should also be uploaded to the Council's website.

4.3 The proposed submission to Government is included in Appendix 2 and will be sent from the Leader, Deputy Leader and Chief Executive of the Council.

5 OPTIONS

5.1 Option 1: Do nothing.

5.2 Option 2: Approve the productivity plan in Appendix 2 for submission.

5.3 Option 3: Do not approve the productivity plan in Appendix 2 for submission.

5.4 Option 4: Propose changes to the proposed productivity plan in Appendix 2 to be made before submission.

5.5 Preferred Option: Option 2. The productivity plan included in Appendix 2 meets the requirements set out in the letter from DLUHC and has been reviewed and agreed by the Leader, Deputy Leader and Chief Executive.

6 RISK IMPLICATIONS

6.1 There are no direct risk implications arising from this report or the productivity plan. Any existing and future transformation plans are subject to case-by-case risk assessments which are included in any separate report to Cabinet (or other committees) where a decision is sought.

7 CRIME AND DISORDER IMPLICATIONS

7.1 There are no crime and disorder implications.

8 ENVIRONMENTAL IMPLICATIONS

8.1 There are no direct environmental implications, although this would be considered on a case-by-case basis for any future proposals.

9 FINANCIAL IMPLICATIONS

9.1 There are no financial implications arising from this report. The areas contained within the productivity plan are either being delivered already within existing budget or will be subject to future decisions at which point the financial implications of that individual decision will be considered.

10 LEGAL IMPLICATIONS

10.1 There are no direct legal implications arising from this report. Legal implications will be assessed on a case by case basis as part of projects coming forward through the Transformation programme.

11 HUMAN RESOURCES IMPLICATIONS

11.1 The proposal does not have any direct human resources implications.

12 EQUALITY AND DIVERSITY IMPLICATIONS

12.1 An Equality Impact Assessment has not been completed as no policy / operational decision has been made beyond submission of the productivity plan to Government.

Caroline Adlem

Director Corporate and Customer

Background Papers:-

Letter from Minister Simon Hoare, included as Appendix 1

For further information please contact Caroline Adlem on:-

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Email: cadlem@castlepoint.gov.uk



Department for Levelling Up,
Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
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16 April 2024

Dear Chief Executive

Productivity in Local Government

As you know, the Government is reviewing productivity across all public services and local government is, of course, part of that exercise. The recent [Local Government Finance Settlement](#) announced that councils would be asked to produce productivity plans. This letter formally begins that process.

May I first thank you for your very helpful engagement with my officials. Your views and thoughts have been valuable in shaping this approach to make it as useful as possible for all of us.

Local government has already done a huge amount in recent years to improve productivity and efficiency. However, lockdown and post-lockdown has proved challenging, and you are looking for new ways to go further. These new plans will help us understand what is already working well across the whole country, what the common themes are, whether there are any gaps and what more we need to do to unlock future opportunities. We will share these important lessons across the sector.

Productivity is not one-dimensional, and I would encourage you to consider the various facets that encompass the drive for greater productivity. When developing your plans, please think broadly and include reference to not only how you run your organisation, but also how you run the public services you provide and how you provide place leadership. It is with this wide view that we can ensure we are providing value for money for residents.

I am not looking to impose excessive burdens. I am not issuing you with a formal template or a detailed list of criteria to meet. I expect your plans to be three to four pages in length, and to set out what you have done in recent years, alongside your current plans, to transform your organisation and services. I do not want to specify a list of metrics you must report, but I do want to understand how you will monitor and assess your plans to assure yourselves and your residents that they will be delivered.

The plans should consider the below themes and where appropriate, should reference the work your council undertakes alongside other public services, such as the NHS and police.

1. How you have transformed the way you design and deliver services to make better use of resources.

Questions to consider:

- how has the organisation changed in recent years to become more productive? You may wish to consider what you have done around staffing, structures, operating models etc;
- how do you measure productivity in your organisation?
- what changes have you made to improve services, and what effects have those had?
- what are your current plans for transformation over the next two years and how will you measure the effects of those changes?

- looking ahead, which service has greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?
- what role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more;
- what preventative approaches you have undertaken and can the value of these be quantified?
- are there wider locally-led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?

2. How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.

Questions to consider:

- what are your existing plans to improve the quality of the data you collect; how do you use it and how do you make it available to residents?
- are there particular barriers from legacy systems?
- how often do you share data with other organisations, and do you find this useful?
- Are there opportunities to use new technology to improve workflows and systems, such as predictive analytics and AI?

3. Your plans to reduce wasteful spend within your organisation and systems.

I know we will share the aim to reduce waste wherever we can and, while you have all made huge strides in recent years, no organisation is ever 100% efficient. You should set out your plans to reduce wasteful or “gold-plated” spend.

Questions to consider:

- how do you approach identifying and reducing waste in the organisation? How do you monitor progress?
- where have you followed invest to save and what was the result?
- how much time and money do you spend on staff EDI training (internal and external), networks, and other programmes? How many EDI Champions do you have as an organisation? How do you log and report the time and money spent on EDI related activity? How do you assess the effectiveness of that training?
- what percentage of total staff budget is spent on a) agency and b) consultants? How do you assess value for money on agency & consultancy spend and what are your plans to reduce use / costs? How many of those consultants or agency staff have been in place for over a year?
- what governance structures do you use to ensure accountability of spend?
- do you share office functions with other councils and if so, how useful do you find this?
- if you share external training costs with neighbouring councils, how do you factor out duplications of service between your council and your upper-tier council (if you have one)?

- if you have one, what is your assessment and experience of working with an elected mayor, combined authority, or devolution deal?
- what proportion of your paybill is spent on trade union facility time?

4. The barriers preventing progress that the Government can help to reduce or remove.

There will be barriers preventing you from going as far or as fast as you would like to. I would like your plans to set those out, so that we can understand how government, or the market, can help you overcome these barriers to go even further.

Questions to consider:

- what are the barriers preventing you from improving productivity further within your organisation?
- what are the barriers preventing you from improving services further?
- are these barriers consistent across multiple services?
- what would you need to remove those barriers? What do you need from government, the market or elsewhere?

Your plans must be returned by 19 July 2024, by email to productivityplans@levellingup.gov.uk.

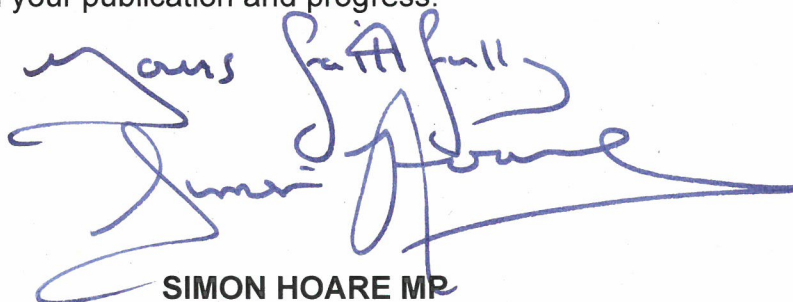
You must ensure that there is member oversight and endorsement of the plan before it is submitted, and the plan must also be uploaded to your website so that residents can see it. You should consider how you will update the plans and report on progress on a regular basis. The plans should also contain relevant metrics and key performance indicators to allow you and your residents to monitor progress.

Once received, we will review the plans to identify common themes and issues across the sector. We are keen to highlight best practice that others can learn from.

Individual plans will not be rated or scored, and we will not produce any kind of league tables. We are interested in understanding what is happening across the sector.

We are setting up a panel to consider the themes and evidence that comes from the plans. I will chair the panel and bring together experts from the sector and beyond, including Oflog and the LGA. They will consider the issues emerging from the plans, the implications for future national policy design, the role of government in supporting further change and the role of the sector in going further. The panel will advise national government and local government, and I believe this collaborative approach will ensure the most effective outcomes.

I look forward to updates on your publication and progress.

A handwritten signature in blue ink, appearing to read 'Simon Hoare', is written over a printed name and title.

SIMON HOARE MP
Minister for Local Government



Angela Hutchings

Chief Executive
Castle Point Borough
Council
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Essex SS7 1TF

Tel: 01268 882200

Simon Hoare MP
Department of Levelling Up Housing and Communities

Date: XX June 2024

Dear Minister,

Thank you for your letter of 16 April 2024 requesting information about how we measure and monitor productivity within Castle Point Borough Council. Cabinet agreed the plan enclosed below on 19 June 2024 and it can also be found on the Council's website [\[LINK\]](#).

I trust that this demonstrates the progress the council has made over a short time, and also our commitment to continued improvement and productivity.

Should you or your officials want to discuss our response, my Leader, Councillor Dave Blackwell, Deputy Leader, Councillor Warren Gibson, and I would welcome a further conversation.

Yours sincerely,

Angela Hutchings

Chief Executive

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Productivity Plan for Castle Point Borough Council**Castle Point is changing.**

Our organisation is transforming, undertaking a root and branch review to create a modern, cost-effective and productive organisation.

Making best use of our resources

A 2022 Local Government Association (LGA) Decision Making Accountability report backed this need for transformation, noting that the council is ready for change and ‘would like to be more proactive’, and is moving in a new direction away from its traditional, siloed approach. Reflecting on the need for change, it noted a hierarchical culture, lack of confidence and a lack of transparency and fairness regarding roles and pay, a fragmented leadership team and frontline and a lack of cohesive working at leadership level.

To address this, 2023 saw a complete review and restructure of our second and third officer tiers, delivering savings of £779,000 p.a. and in 2024 we have completed the process of job evaluations across the organisation, ensuring we are paying the right salary for the right roles. Service reviews are now being undertaken across the breadth of the organisation to ensure maximum productivity, promote working across organisational boundaries, taking a “digital first” approach to service delivery and effective delivery and value for money. These will be completed in 2024 and are expected to deliver a 10% saving within three years whilst meeting standard design principles and modernising services through transformation and short-term invest to save initiatives.

An LGA health check in January 2024 lauded significant progress in transforming the council in to a modern, resident-focused organisation, and described it as ‘a completely different organisation from just a year ago’. A full LGA peer review is scheduled for Autumn 2024 and will focus on the standard core components, including capacity for improvement as well as providing a view on service reviews which are currently underway.

Productivity is measured through a number of measures and is regularly reviewed to identify opportunities for improvement and or efficiencies. One example is a current project to assess opportunities for channel shift and improvements to customer journey within our Contact Centre which will result in increased productivity without impacting negatively on our residents. A planned implementation of a customer relationship management system and new website has great potential to deliver productivity gains, currently estimated at £450k per year (a mix of cashable and non-cashable efficiencies through removing vacant posts, cost avoidance and more efficient working practices).

Transformation in the coming years will be driven by service reviews currently in formation and the effects of these will be monitored through a series of measures,

including staff numbers, salary budgets, overall expenditure and resident satisfaction.

We expect capital to play a significant role in transforming services and unlocking new opportunities and have already invested in leisure and a local retail centre in order to deliver income, regeneration and help our residents lead more active lives. A strategic asset review is now underway, looking at opportunities for acquisition and development as well as disposal. Plans to purchase additional housing are in development and the £20 million towns fund award to Canvey Island will revitalise and rebuild the town centre.

Furthermore, capital investment contributes to our preventative work, in terms of provision to support homelessness prevention (especially temporary accommodation which is a significant cost pressure for the council). We have invested in our leisure facilities to improve the physical and mental health and well-being of our residents. Recognising increasing energy costs, we have also invested in the latest technology to be more environmentally sustainable by upgrading our leisure centres with LED technology, pool covers and efficient air handling units. A recent Sport England social impact report assessed that our two leisure centres currently provide over £2 million social value annually, serving nearly 14,000 users, a figure which would increase dramatically if it considered sports clubs as well as individual users.

Identifying opportunities to invest to save is a key requirement in our service reviews and recent investments of £220k to extend a fitness suite at Waterside Farm Leisure Centre in 2021 and £1.4m extending Runnymede Swimming Pool with a new health and fitness extension in 2018 have delivered improved facilities, as well as increased membership and usage by 2,700 members and generating new income of £1m per annum.

The Council is bringing forward an Open Spaces Strategy to ensure that our parks and open spaces receive the investment they need to provide quality open spaces for the benefit of the local community, this strategic approach will ensure existing resources and opportunities to augment this with external funding are maximised

Improving our use of technology and data

Our ongoing service reviews will increase data capability and streamline HR systems to hold workforce data in one place. As well as replacing our website and introducing a CRM to drive improvements, workflows, systems and efficiencies, we will improve our performance reporting, and continue to make information available to residents in council reports.

Initial trials of a chatbot in leisure have proven successful and we will look to see how we can expand the use of this technology. Elsewhere in leisure, a drowning detection system has increased safety for our swimmers and allowed the service to reduce costs of operation through safely reducing the number of lifeguards required on duty by three full time lifeguards saving over £60,000 per annum.

The council is developing plans, through a digital strategy, to make better use of data from across the organisation – linking data from a range of sources into a central data repository that can then be used to create meaningful reports through platforms such as PowerBI. Once we have improved data capability and our data infrastructure, we will be better placed to explore the potential of predicative analytics, working with the [Essex Centre for Data and Analytics \(ECDA\)](#), drawing on data expertise across Essex County Council, Essex Police and The University of Essex.

The Council is currently reviewing options for its Waste and Recycling Service as we seek to modernise our systems and processes. As part of this the Council is exploring how better use of data and technology can provide the information the Council needs to support residents in increasing recycling rates and deliver a more efficient service.

As is the case with many local authorities, the council operates using a number of legacy IT systems. Where opportunities exist, the council is exploring alternatives to legacy IT systems and entering into joint procurement with others.

Reducing unnecessary spend

A key aim for our service reviews is to identify and remove any unnecessary spend. We have recently moved to all out elections and will continue to implement further changes as we identify them. This progress will be monitored through our established financial monitoring process and will be increased by the planned introduction of financial business partners as part of the Financial and Procurement service review, which will also bring in a Procurement Manager to supplement the support that the council receives from EPH, a partnership between the council and Braintree and Epping Forest councils.

Equality, Diversity and Inclusion (EDI) is very important in our organisation because we recognise that our workforce should represent the diverse community that we provide services to. We consider it to be fundamental to our work in ensuring we serve our diverse communities. At present we do not have any EDI champions or spend anything on EDI training, beyond e-learning undertaken as part of onboarding. We should look to do more in this important area, including EDI considerations within all workstreams through comprehensive equality impact assessments, whilst ensuring that any investment in training delivers value for money.

Our recent senior leadership restructure, the ongoing service reviews, as well as the completion of job evaluation will all help ensure our use of agency staff and consultants is at the right level, and only used where a short-term requirement arises, or a need for specialist resource, or to cover a hard to fill post. This is benchmarked against the wider market and compared to the cost of direct employment. At present 12.6% of staffing spend is spent on agency and consultancy staff and we plan to ensure agency and consultant spend is minimised moving forward. This will be through centralising the procurement of agency staff through a framework to provide greater oversight and control and review of our market

supplement policy to ensure we pay at the right rates and can reduce agency spend. Less than 0.01% of our payroll is spent on trade union facility time.

Our constitution sets out our legal governance structures, including Cabinet's responsibilities and our scheme of delegations. Financial regulations and contract procedure rules ensure accountability of spend. Office functions including payroll, recruitment, procurement, audit, insurance counter fraud and emergency planning are shared with other councils. These arrangements are incredibly useful and increase access to specialist skills within larger teams which a smaller organisation like Castle Point would not have in isolation.

Addressing barriers to progress

Within Castle Point Borough Council, Legacy IT systems and a lack of corporate workflow have been identified as barriers to progress which we need to address. A lack of digitisation of records leads to manual, less effective and more costly processes. In order to address these issues, the organisation needs to acquire or develop skills in process improvement and digital. These barriers, which apply across multiple services, need investment in IT and new skills to address, which in turn might face a challenge if the employee value proposition is not significantly attractive. On this point, the council would ask that central government, working through the Local Government Association, does more to promote the importance of the work of local government such as supporting central government to deliver on its manifesto promises, as well as making a real difference to local areas and the lives of people who live work and visit places across the country. The service reviews are building in capability and capacity across these areas as they are seen as crucial to supporting the council's journey towards excellent customer service through the most cost-effective channels.

Central government could support this work through capacity funding for the digitisation of records and service delivery, nationally aggregated procurement, providing a longer-term financial settlement, further supporting the work of local government and choosing to allocate funding rather than require a bidding process. Flexibility of funding streams across sectors (i.e. to make it easier to pool funding from across local government, health etc) would allow for partners to ensure that funding flows to where it is needed and not just where it can be spent because of tight restrictions and ring-fencing

In conclusion, local government cannot be expected to deliver ever more with ever less funding. The council has already started on its transformation journey, making significant improvements in a short period of time. The council asks that government helps to create the right conditions for local government to flourish, working together with the sector and not against us (the Towns Fund investment is a great example of central and local government working together) so that we can improve local places and the lives of people in those places.