



Cabinet



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| Report for: | Cabinet |
| Title of report: | Dacorum Borough Council Productivity Plan submission |
| Date: | 23 rd July 2024 |
| Report on behalf of: | Councillor Ron Tindall, Portfolio Holder for People and Transformation |
| Part: | I |
| If Part II, reason: | N/A |
| Appendices: | A: Draft productivity plan in response to the Government's commission of April 16 th 2024 |
| Background papers: | Letter from Minister for Local Government to all Local Authorities – April 16 th 2024 |
| Glossary of acronyms and any other abbreviations used in this report: | |

Report Author / Responsible Officer

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| Corporate Priorities | A clean, safe and enjoyable environment Building strong and vibrant communities Ensuring economic growth and prosperity Providing good quality affordable homes, in particular for those most in need |
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| | <p>Ensuring efficient, effective and modern service delivery</p> <p>Climate and ecological emergency</p> |
| Wards affected | N/A |
| Purpose of the report: | To respond to the Government's request to all Councils to provide a short response on their plans to improve productivity within their organisation. |
| Recommendation (s) to the decision maker (s): | 1. That Cabinet approves the attached Productivity Plan and approves its submission to the Ministry of Housing, Communities and Local Government (MHCLG), formerly Department for Levelling Up, Housing and Communities (DLUHC). |
| Period for post policy/project review: | n/a |

1 Introduction/Background:

On 16th April 2024, the then Minister for Local Government, Simon Hoare MP, wrote to all Local Authorities requesting that each submit a 'Productivity Plan'. This had been trailed in the previous Local Government Finance Settlement.

The remit for the plan was broad with Councils given flexibility as to how they wished to approach the task.

"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."

A set of guiding questions were also included which have proved helpful in helping to frame our response to the commission. The 4 headline questions were:

- How have you transformed the way you design and deliver services to make better use of resources?
- How you plan to take advantage of technology and make better use of data to improve decision-making, service design and use of resources?
- Your plans to reduce wasteful spend within your organisation and systems
- The barriers preventing progress that the Government can help to reduce or remove.

The request also asked that there was member sign-off and that the plan be made public via the Council's website.

2 Key Issues:

We have approached the commission positively with particular focus on our current plans to further improve our productivity through the Council-wide "Future Dacorum" transformation programme. Through aligning culture change, staff development, service redesign and digital improvement we believe we can unlock significant service and productivity advancements.

We have engaged with other Local Authorities and representative bodies in order to inform and assure our thinking. We have also sought to align it with our emerging Corporate Plan.

Rather than produce a long list of 'asks' for Government, we have embraced the spirit of the request and focussed on 3 key, strategic areas where it could help us make significant strides:

- Reduced budgets reduce the opportunity to invest resource in improving productivity;
- Single-year financial settlements work against long-term planning and are a barrier to productivity realisation;
- The Government's preferred model of fund distribution i.e. through competitive bidding is inherently unproductive.

2 Options and alternatives considered

Not applicable. This is a direct request to all Local Authorities.

4 Consultation

This has been developed through cross-Council engagement.

5 Financial and value for money implications:

There are no financial implications within this report.

6 Legal Implications

There are no legal implications within this report.

7 Risk implications:

There are no risk implications within this report.

8 Equalities, Community Impact and Human Rights:

There are no equalities or community impacts arising from this report.

Human Rights – there are no human rights issues arising from this report

9 Sustainability implications (including climate change, health and wellbeing, community safety)

There are no sustainability implications arising from this report.

10 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

There are no Council infrastructure implications arising from this report.

11 Statutory Comments

Monitoring Officer:

The response annexed clearly sets out how the Council is addressing the key issues raised in the consultation in a proactive, effective and efficient manner and therefore the Monitoring Officer is content for the response to be sent as drafted.

S151:

The Productivity Plan includes the background to the current Dacorum financial position and outlines the financial challenges ahead.

12 Conclusions:

That the attached draft Productivity Plan represents our considered response to the Government's letter of 16th April 2024.

Annex A: Draft Productivity Plan in response to the Government's commission of April 16th 2024.

Introduction

Dacorum Borough Council strives to deliver excellent services to its residents while delivering value for money. Critical to this is ensuring that we continue to improve our productivity and efficiency. This ethic sits at the core of our emerging new Corporate Plan and our, soon to be published, customer charter which will set out what our residents and partners can expect from us.

For us, productivity means creating as effective and efficient an organisation as we can: bearing down on unnecessary costs and activity and focussing available resource on where it can have the greatest impact. We are also interested in the productivity of our residents and partners - working to reduce the time and complexity burden placed on them when they need or want to engage or transact with us. We monitor this, and our broader work, closely.

How have we transformed the way we design and deliver services to make better use of resources?

Since 2013-14, Government grants have reduced by over 57% in cash terms. In 2013-14 the total core Government grants for Dacorum totalled £8.5m, and in 2024-25 the Dacorum Core grant is projected to be circa £4m. During this time, we have continued to deliver core services whilst also taking on a number of new responsibilities. The reason we have been able to do this is through continuous productivity improvement across the whole organisation.

We have never been scared to make changes, bending and flexing our available resource to respond to shifting priorities and ensuring that we are a lean organisation. In recent years this has included:

- A comprehensive re-design of our housing service to ensure that it is configured optimally and has a focus on tenant safety and the consumer standards;
- The development and delivery of a commercial programme designed to maximise the income from the Council's assets and services. This programme contains in depth reviews of all income generating services, their operational processes and their potential to maximise their income generation in services such as garages, waste services and parking.
- The centralisation of training budgets and providing them online has allowed us to reduce our spend and let our staff manage key training around their workload. We ensure that our training is proportionate and delivered efficiently.
- Route optimisation exercises to ensure that our waste services are delivered as efficiently as possible.
- A revamped complaints system which responds quickly and clearly to residents whilst also ensuring that any lessons are learned and embedded in our processes.
- A refresh of our KPIs and the introduction of performance clinics.
- The establishment of our PMO and procedures to ensure a clear focus on delivery.

Furthermore, technological advancements, such as hybrid working, have allowed us to achieve cross-Council productivity improvements. We have a right place for the right job policy which enables staff to work at the location which is best for the task in hand.

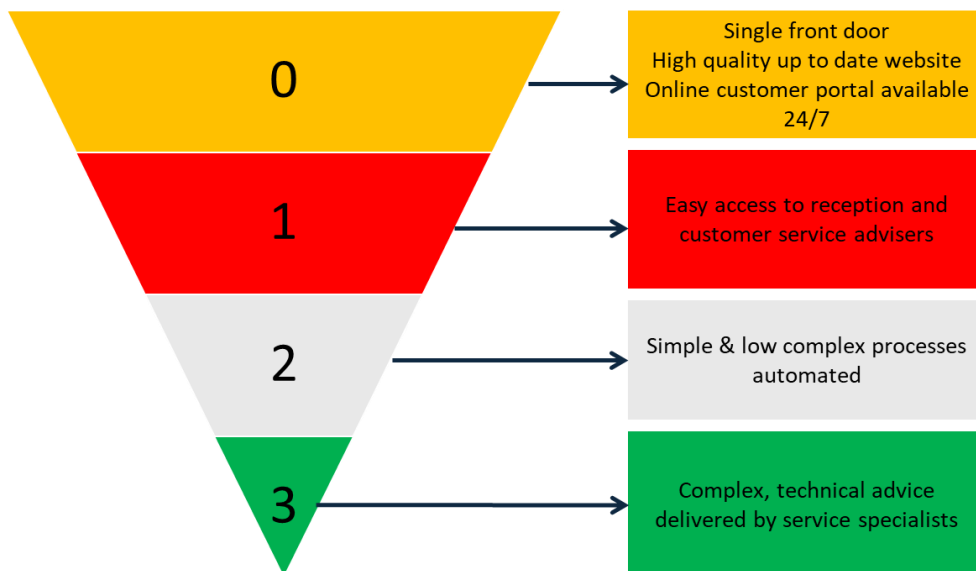
How do we plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources?

Future Dacorum is our Council-wide transformation programme that will deliver an even more efficient and effective Council. At its core, we are rethinking how we serve our customers. By redesigning our services and embracing digital tools and processes we can improve the customer experience, create additional capacity to do more and/or make financial and resource savings across the organisation. These are defined in key strategies agreed by Council:

- Customer vision: Putting the customer at the centre of our services to provide a positive and effective customer experience and to empower our staff so they can deliver consistent and quality services.
- Digital improvement: Automating low-level tasks so that we can be a lean organisation and focus our resource where it can have the greatest impact. Providing the right tools for customers to interact with us digitally and staff with the right tools to be more productive in their jobs;
- Service re-design: Lean and digitised processes that are based on the needs, wants and behaviours of service users so we can deliver services quickly, safely and have the biggest impact;
- People vision: The right staff, in the right place, at the right time, working in the right way. A flexible and skilled workforce which can respond to the changing needs and priorities of our residents
- Developing Dacorum's great places and growing the local economy: An interactive service which showcases our ambitious vision and plans and connects investors to key professionals in the Council, and our partner organisations [[link: www.thinkhemel.com](http://www.thinkhemel.com)]

A new operating model

The ultimate end goal will be the delivery of our Target Operating Model which seeks to move all simple and low complex tasks and transactions to a central model and automate wherever possible. Key to our success will be to provide a single front door into the organisation via improved website content and a new customer portal to improve our self-service offer. We will employ Integrated Voice Recognition and other technology to encourage telephone and visiting customers directly to online services 24/7.



Where customers can't, or won't, use our online services, we will continue to provide easy access. However, we will resolutely focus on encouraging and supporting our customers to improve their digital skills to increase self-service. We will deliver a one process approach to all customer contact no matter what channel is used. If a customer comes into reception, we will use the same process to complete their transaction as if they were online at home.

This will deliver an organisation that is digitally led and future proof. This will mean a very different looking Customer Service Unit who are not just taking calls but have a wide range of skills to support our customers and complete low complexity transactions on behalf of all services. A significant increase in self-service and automation will free up staff to focus on those vulnerable customers that need us more. As we move more and more transactions into the centre, it will be cheaper to deliver services overall.

Another output of this transformation is to create increased capacity in our service teams to provide customers with technical and specialist advice. This should lead to improved customer service and reduction in complaints, improvements in our timescales and KPIs by realising our efficiencies that have been gained through effective service redesign.

The holistic approach to this transformation will not just deliver operational and productivity benefits but wider systemic benefits. A better working culture, improved internal processes and working practices, coupled with improved tools to do the job should result in more job satisfaction, less stress and improved staff retention/staff attraction, (which will also deliver savings from running fewer recruitment exercises /less sickness etc.).

What have we achieved so far?

This is a live delivery programme and so far we have:

- Purchased a low code digital platform. This will allow us to rationalise our digital infrastructure, and spend, as well as unlocking technical advancements such as self-serve and a single view of the customer. This is supplemented through the introduction of a new internal process which ensures any ICT requirements by individual services are rigorously scrutinised before deciding if the solution can be delivered through this digital platform or whether an external solution is required.
- Commenced the roll-out of the no-code digital platform. This is at the heart of our ambitions to radically and rapidly increase our self-serve options, making life easier for residents and freeing up staff time;
- Completed phase 1 of a re-design of our revenues and benefits service, introducing more self-serve options and reducing staff time spent on low value tasks;
- Introduced new values and behaviours for the organisation [link];
- Reduced our use of Agency resource through improvements to our recruitment, retention and resourcing approach;
- Revamped our telephony system so that residents can get the information they want more quickly, waiting times are significantly reduced and the number of calls requiring action have come down, freeing up staff time;
- Created a dedicated website www.thinkhemel.com for investors and launched a new comprehensive economic dashboard.

What do we plan to do next?

Over the summer and autumn, we will be looking to further enable our residents to self-serve while also simplifying processes within the Council. Some highlights include:

- Launch of an integrated customer portal;
- A new complaints and FOI module;
- Digital reporting of abandoned vehicles and street care requests;
- Digitisation and redesign of our housing disrepair work;
- Launch of bring your own device and kit refresh (ensuring staff have the right technology to work in the most productive location).

Evidence driven

We are delivering this in an open way so that we can be sure that our changes respond to the needs of our residents and so that we can be held to account on our progress. Each redesign and change will be framed through direct resident engagement and analysis of the available data. In turn, these advancements will give us a richer data source. As we become a fully digitised Council where data is shared across systems we will realise multiple benefits:

- A single view of the customer so we can support them in the round rather than transact around a single service. This means we will have a greater impact with reduced resource requirement. It will also make life easier and better for our residents.

- The ability to plot trends in service use and plan for the future;
- The ability to design services effectively;

We are also collaborating with other Local Authorities so that we can benefit from shared learning and experience.

We have a robust new performance management framework which helps us monitor how efficient and effective we are as an organisation. As well as looking at metrics internally we have also committed to sharing this publicly on our website.

The following analysis is of particular interest when considering productivity:

- Our performance relative to our peers and against our own targets;
- How service delivery performance changes as we modernise services;
- How service demand changes as services are redesigned;
- Shift in channel usage as we digitise our services;
- Take-up of self-serve options as they come online;

Our plans to reduce wasteful spend within the Council.

We maintain a laser focus on our spend within the Council and are comfortable saying that wasteful spend has long been dealt with. However, as priorities, performance, technology and how people behave change, opportunities to drive out costs present themselves. Our transformation programme will be central to reducing unnecessary spend and is closely linked to our wider activity in this area. This wider work is founded on close engagement between our services, finance team, transformation function and senior leadership.

Practically we deliver this through some key, regular cross-Council activities:

- Service planning – we run a rigorous annual process where each service must set out its plans to deliver the Council's Corporate Plan ambitions;
- Savings ideas generation – we ask our managers to model a range of budget reductions within each service, how they could be realised and what the impact on outcomes and risk would be. These ideas are then considered and factored in as appropriate into our savings programme;
- Performance management framework – We have a suite of Key Performance Indicators and supporting performance management framework. Monthly performance clinics, senior management discussion and reporting to members allows us to hone in on areas where change is required or opportunities for rationalisation may exist;
- Portfolio Project Management approach – All projects follow our standard management and reporting approach. This gives us consistency while also ensuring that progress is driven forward and issues are identified and resolved quickly. This has led to a much more efficient and effective way of managing projects and programmes;
- Commercial Review programme – this rolling programme enables us to assess the costs of delivering services and to consider how they might be delivered in more efficient ways or expanded to generate additional income.

Savings ideas are worked up collaboratively and, when agreed, delivered and monitored through agreed governance.

Invest to save and capital investment is available to the Council and has been used effectively (e.g. through the current transformation programme).

The barriers preventing progress that the Government can help to reduce and remove

Reduced budgets for Local Authorities have played a part in focussing us all on productivity improvements. However, as these budgets have reduced, and the low hanging fruit of productivity

improvements have been achieved, Local Government is in a place where we must now invest our time and money in the short term in order to realise efficiencies in the longer term. Unfortunately, while the need for upfront investment to secure long-term, sustained productivity improvements is at its most acute, the pressure on budgets mean that it is very hard for Councils to make that commitment.

This is exacerbated by single-year financial settlements which are a real barrier to long-term planning and investment in this area. Multi-year settlements would make a real difference to the sector's ability to plan ahead and improve productivity.

One specific low-productivity activity is how Government manages bids to and distributes funds from its many different funding pots. These can require significant work over a long period of time. A lack of clarity over what is wanted, the innate competitiveness of the process means that much time and resource can be wasted.