

Report to: **Hub Committee**

Date: **11 June 2024**

Title: **Productivity Plan**

Portfolio Area: **Cllr Mandy Ewings**
Leader West Devon Borough Council

Wards Affected: **All**

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RECOMMENDATIONS

That the Hub Committee:

- 1. APPROVE the content and publication of the West Devon Productivity Plan at Appendix A; and**
- 2. DELEGATE any minor amendments to the Director of Finance, in consultation with the Leader of Council, ahead of submission to the Department for Levelling Up, Housing and Communities by the deadline of 19th July 2024.**

1. Executive summary

- 1.1 When the Local Government Finance Settlement was published in late 2023, it included a Government requirement for Councils to publish a Productivity Plan. In April 2024, further guidance was received from Department for Levelling Up, Housing and Communities setting out the requirements for the plan.
- 1.2 This report sets out the Productivity Plan for West Devon Borough Council which must be submitted to Government by 19th July 2024 and also published on the Council's website.

2. Background

- 2.1 The Government is reviewing productivity across all public services. As part of the recent Local Government Finance Settlement, all Councils are being asked to produce productivity plans. The plans will help the Government to understand what is already working well across the whole country, what the common themes are and whether there are any gaps and what more the Government needs to do to unlock future opportunities.

- 2.2 The expectation is that the Plans should be short (around a few pages) although there is no set format or template which the productivity plan has to adhere to. The Government has suggested that the Productivity Plan includes some of the four main areas below:-
- Transformation of services to make better use of resources;
 - Opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;
 - Ways to reduce wasteful spending within all Councils; and
 - Identify any barriers that currently impact efficiency that the Government could help to reduce or remove.
- 2.3 In March 2024, the Council had a Corporate Peer Challenge (CPC) which forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of sector-led improvement put in place by Councils and the Local Government Association (LGA), to support continuous improvement and assurance across the sector. ***The CPC concluded that 'West Devon is a high performing council, which is well led and managed and is delivering consistently well on behalf of its residents and communities.'***
- 2.4 West Devon Borough Council and its neighbouring Council, South Hams District Council, have pioneered an innovative **shared services partnership** which started in 2007 with a shared workforce and integrated systems and processes across both Districts. This is generating **annual on-going savings worth £6.2million** to West Devon and South Hams compared to a traditional model, demonstrating excellent value for money. This has enabled the Councils to protect frontline services and no services to communities have been removed.
- 2.5 The CPC stated that it is this joint working that is at the heart of a highly productive organisation. Both Councils have a proven track record of **strong financial management and strategic financial planning**, which has ensured their financial sustainability and resilience, particularly in the face of unprecedented reductions in Government funding. Since 2009/10, the Council's core Government funding has been reduced by £3million per annum, equating to over 31% of the Council's Net Budget for 2024/25 of £9.5m.

2.6 The Council has a strong track record in all of the areas set out in the Productivity Plan, which has been endorsed by consistently good value for money assessments by our External Auditors and West Devon has been recognised **as a high performing Council** by the recent LGA Peer Challenge which stated, **“West Devon Borough Council has an excellent track record of financial management and planning, which is one of its underpinning core strengths”**.

2.7 We feel that these assessments by sector experts demonstrate that West Devon Borough Council is already delivering against the requirements set by the Secretary of State which we have evidenced within our Productivity Plan (Appendix A).

2.8 Within the plan, we have set out a number of areas where we feel Government can support us to further increase productivity including:-

- Removal of prescriptive regulation which specifies input measures and operational processes – stifling innovation and better outcomes;
- Incentivising investment in new green infrastructure and affordable housing by introducing discounted borrowing rates;
- Providing a multi-year financial settlement to enable greater ability for longer-term planning by local authorities; and
- Ringfencing second homes council tax premium for local affordable homes.

The full requests can be seen in Appendix A.

2.9 The Productivity Plans will be considered by a new productivity review panel, made up of sector experts including the Office for Local Government and the Local Government Association.

3. Next Steps

3.1 The Hub Committee is asked to consider the Productivity Plan at Appendix A and approve the content and publication of the Productivity Plan. It is also recommended that the Hub Committee delegate to the Director of Finance to make any minor amendments to the Productivity Plan arising through the meeting.

3.2 The Productivity Plan will be submitted to Government by the deadline of 19th July 2024 and published on the Council’s website.

4. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		There is a requirement for all Councils to submit a Productivity Plan to the Government (DLUHC) by 19 th July 2024.
Financial implications to include reference to value for money		<p>The Productivity Plan sets out the value for money measures already implemented by West Devon Borough Council and any further areas of focus.</p> <p>West Devon Borough Council and its neighbouring Council, South Hams District Council have pioneered an innovative shared services partnership which started in 2007 with a shared workforce and integrated systems and processes across both Districts. This is generating annual on-going savings worth £6.2million to West Devon and South Hams compared to a traditional model, demonstrating excellent value for money. This has enabled the Councils to protect frontline services and no services to communities have been removed.</p>
Risk		There are no direct risk implications as a result of this report.
Council Plan contribution		All
Consultation & Engagement Strategy		The Productivity Plan does not require consultation or engagement however it must be published on the Council's website.
Climate Change - Carbon / Biodiversity Impact		No climate and biodiversity impact as a result of this report.
Comprehensive Impact Assessment Implications		
Equality and Diversity		NA
Safeguarding		NA
Community Safety, Crime and Disorder		NA
Health, Safety and Wellbeing		NA
Other implications		NA

Supporting Information

Appendices:

Appendix A: - West Devon Borough Council Productivity Plan 2024

Background Papers:

None