

CABINET
9 July 2024

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: PRODUCTIVITY PLANS

REPORT OF: MANAGING DIRECTOR

EXECUTIVE MEMBER: LEADER OF THE COUNCIL

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

The purpose of this report is to seek approval of the Council's Productivity Plan, drafted in response to the Productivity in Local Government request, from the Department for Levelling Up, Housing and Communities (DLUHC). The Plan requires Member approval and must be submitted to DLUHC and published on the Council's website by 19 July 2024.

2. RECOMMENDATIONS

2.1. That Cabinet approves the Productivity Plan attached at Appendix B for submission to DLUHC.

or

2.2. That Cabinet delegates to the Leader of the Council and Managing Director authority to agree any amendments required to the Productivity Plan as a result of discussion at either Overview and Scrutiny Committee and/or Cabinet and authority to submit the Plan on behalf of the Council.

3. REASONS FOR RECOMMENDATIONS

3.1. The recommendations are to ensure that the Council complies with the requirements set out by DLUHC to produce a Productivity Plan.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. The Council could choose not to submit a Productivity Plan. It is not clear what sanctions (if any) would follow from taking this approach, however it would mean that the Council would lose the opportunity to highlight what it has done well and seek to influence future Central Government policy.

- 4.2. The Productivity Plan could be presented in a different format, as it has not been given a prescribed format by government. An alternative approach, of setting out the Plan in a table format with the government's questions, the actions being undertaken and how they are being measured, was considered but proved very difficult to present in a useful and usable way – not least of which because of the nature of some of the questions asked.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Due to the timing of the recent Council elections, the Productivity Plan was prepared based on ideas provided by the Leadership Team. The draft Productivity Plan was considered by the internal informal Political Liaison Board of the Executive and the Leadership team on 4 June 2024, who endorsed the draft for consideration by Overview and Scrutiny Committee and then Cabinet.

6. FORWARD PLAN

- 6.1 This report arguably contains a recommendation on a key Executive decision and therefore it was decided that it would be sensible to include on the Forward Plan. The report was first notified to the public in the Forward Plan on the 28 May 2024.

7. BACKGROUND

- 7.1. The Government is reviewing productivity across all public services and local government is included in this exercise. The recent Local Government Finance Settlement announced that councils would be asked to produce productivity plans. A letter received 16th April 2024 formally started that process with a submission deadline for plans on the 19th July 2024 (see Appendix A). The final plan requires formal member sign off prior to submission.
- 7.2. Consideration has been given to the format of the Productivity Plan, which has not been given a prescribed format by government. Due to the repetitive (and narrow) nature of some of the requests within the DLUHC letter it was felt that a narrative approach to responding would work best, rather than specifically responding to each individual question within the letter. Research has been undertaken on the approach being taken by other authorities and whilst most seem to be considering their plans at meetings in June and July, two authorities who have already reported to their members (Mid Devon District Council and Lancaster City Council) have taken the narrative approach.
- 7.3. With the announcement of the General Election, clarification was sought via the Local Government Association, the District Council Network and directly with DLUHC as to whether the Productivity Plans still need to be completed at all, or by the original deadline. The short answer received was 'yes'. The response was that productivity plans are government policy – and until government policy changes, it remains the policy. Civil servants are not allowed to do anything that departs from current government policy or implies that they think policy will or should change. Looked at another way, civil servants are likely to find it helpful to have productivity plans to help them advise new ministers (of whatever party) ahead of an early budget statement and/or spending review.

8. RELEVANT CONSIDERATIONS

- 8.1. The proposed Productivity Plan is attached at Appendix B. The proposed Plan is longer than the suggested “three to four pages” referred to in the DLUHC letter, in part because of the narrative approach taken which should make it more informative to any residents who view it. The draft Plan is of similar length to the two examples referred to in paragraph 7.2.
- 8.2. It is worth noting that not all points have been directly answered, for different reasons. The question about service areas with the greatest potential for savings is a very loaded question, ignores the savings already made and could potentially be misleading if considered out of context or sought to be applied to the sector as a whole. It could also be quite unsettling for any officers working in a service area that is identified. The information regarding trade union facility time is already reported to government in other data returns and therefore has not been covered. Additionally other points have been included where it is considered relevant to explain the Council’s approach.
- 8.3. The letter from DLUHC states “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”. It is proposed that the various points raised within the Plan are simply monitored and reported on through existing committee reports – such as the performance indicator reports, the council delivery plan updates and at relevant project boards. This would mean that the Council would avoid duplicating effort and therefore be a more productive use of officer time.
- 8.4. The Managing Director will continue to monitor the DLUHC response to the various Productivity Plans, including any recommendations arising from the Panel that will be considering the Plans. Where relevant this will of course be reported to Members and officers.

9. LEGAL IMPLICATIONS

- 9.1. The terms of reference of Cabinet include at paragraph 5.7.1 “*To prepare and agree to implement policies and strategies other than those reserved to Council.*”
- 9.2. The Government introduced the concept of productivity plans when it announced the recent Local Government Financial Settlement. The Government requirement is that Productivity Plans are submitted to the Department for Levelling Up, Housing and Communities by 19 July 2024. Council’s must ensure that there is member endorsement of the Plan before it is submitted.

10. FINANCIAL IMPLICATIONS

- 10.1. There are no specific revenue or capital implications arising from the Productivity Plan itself, as it does not include any new work.
- 10.2. There could be future financial implications if the Government uses the information contained within the sector’s Productivity Plans as the basis for further reductions in financial support to the sector.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered. Whilst already contained within our risk reporting, this productivity plans highlights the significant risks that we (and other Councils) face as we try to balance service delivery with sustainability.
- 11.2. Government have recently (May 2024) issued new statutory guidance in relation to Best Value standards and intervention. It is therefore important that, when requested, we demonstrate to Government the actions that we have taken to ensure Best Value.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. Where individual projects, policies or actions referred to within the Productivity Plan have potential equalities implications, an Equalities Impact Assessment will be undertaken.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to the Productivity Plan itself. Where individual projects, policies or actions referred to within the Plan have potential environmental implications, an Environmental Impact Assessment will be undertaken.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The work referred to within the Productivity Plan has either been completed or is already included within service delivery plans and therefore has no additional human resource implications. The approach of monitoring the content of the Productivity Plan through existing channels should avoid additional impact on officer workload.
- 15.2 The production of the Productivity Plan took up officer time, including a significant amount of time for the Managing Director, which could otherwise have been spent on other work for the Council.

16. APPENDICES

- 16.1 Appendix A – DLUHC letter 16 April 2024
- 16.2 Appendix B – North Herts Council Productivity Plan

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18. BACKGROUND PAPERS

18.1 None.