

Productivity Plan 2024 - 2028



Introduction and background

Local authorities, like any other organisation, face a multitude of challenges ranging from resource constraints to increasing customer expectations. In response, productivity plans are being introduced by Government as a tool for local authorities (councils) to examine ways in which they might further streamline processes, enhance services, and optimise resource utilisation.

The plans scope includes all council activity, across four themes in relation to:

- How the organisation is run.
- Service delivery, and
- Place leadership (using decision-making powers to strive for the improvement of the quality of life of communities living in the borough).

Definition of productivity

Productivity is broadly defined as a measure of performance that compares the output of a product with the input, or resources required to produce it. As such, Epsom & Ewell Borough Council (EEBC) measures organisational performance and productivity through analysis of a comprehensive suite of key performance indicators, which both reflect our statutory duties and the priorities of our residents.

Monitoring arrangements for the productivity plan

The council's [Medium Term Financial Plan 2024 – 2028](#) is accompanied by an [Efficiency Plan](#), setting out the areas where cost savings and operational efficiencies will be sought in the coming four-year period. The council is also in the process of drawing together key projects into a Corporate Transformation Programme, to effectively prioritise projects, allocate resources and avoid duplication.

Officers are held accountable to Members (Councillors) for performance and service delivery. An embedded staff performance regime is complemented by Ideagen, an organisational performance management system, that has streamlined the process of data gathering itself. The new productivity plan will therefore be monitored through delivery of agreed actions set out in the Annual Plan, Efficiency Plan, and departmental Service Plans.

Organisational context

EEBC is the smallest lower-tier, or district council, in Surrey, serving some 80,000 residents across three areas: Epsom; Ewell and Stoneleigh. The authority is unique in being one of only two councils in England where Resident Associations have overall control. The council employs 280 staff and as a small organisation, has

continued to operate with increasingly limited resources delivering a wide range of both statutory and discretionary services.

The council is currently forecasting an annual budget shortfall of £1.09M in 2024/2025 rising to £2.46M in 2027/2028. Plans to address this are set out in the [Medium Term Financial Plan](#) and in the [Efficiency Plan](#).

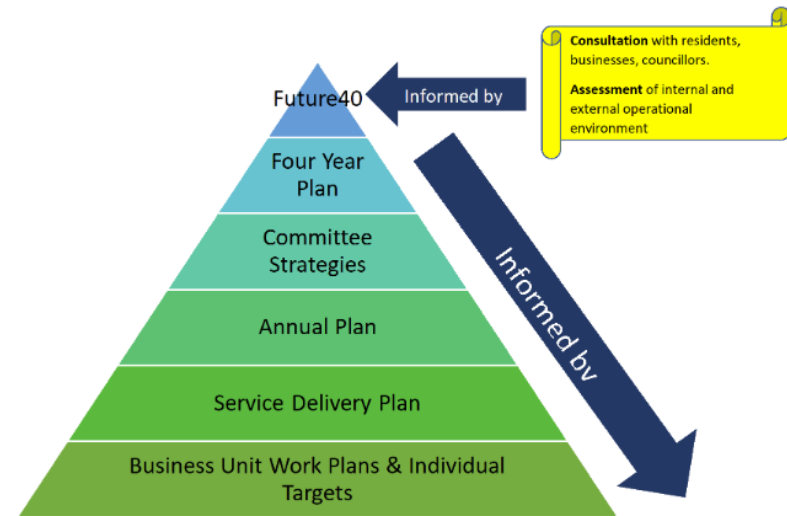
Accountability and governance over expenditure is detailed in the Financial Regulations that forms a part of the council's [constitution](#). There are clear authorisation levels in place for all expenditure, with officers accounting to Members on a quarterly basis for all expenditure. The council actively participates in audit processes, both internal and external.

Central government have sought options for local government reorganisation, encouraging the creation of more 'single unitary' local authorities to achieve efficiency savings. Whilst EEBC has no full shared service arrangements with other councils, the council has entered a contractual relationship with Elmbridge Building Control Service for the provision of a statutory building control service in the borough, negating the need to retain our own in-house Building Control team at a time when there is a national shortage of surveyors.

EEBC regularly works with other councils in locally led partnerships to cost-effectively procure additional staff capacity and expertise in specialist advice areas, such as procurement, HR, legal, data protection and business continuity planning. Conversely, the council also operates a successful taxi vehicle licensing scheme which operates in numerous other boroughs, generating funds that are re-invested back into service improvements in the borough.

As part of the council's budget and policy framework, the council has adopted a corporate [Four-Year Plan](#) and other strategies.

These documents help ensure we engage with our stakeholders and direct our resources in such a way that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively. The diagram below, illustrates the way in which priorities are identified, progressed, and delivered.



Theme 1 - Transformation of the design and delivery of services to make better use of resources

Epsom & Ewell Borough Council has delivered a range of transformation projects across the organisation in recent years that have sought to move the organisation towards greater productivity, with services redesigned to make better use of resources.

The most significant transformation project in recent years has been the development and rolling out of a fully resourced ICT strategy. This has enabled acceleration of the organisation's digital transformation journey that has seen the council harnessing the

advantages of cloud computing, M365, SharePoint and Teams to increase communication, collaboration, and pace of service delivery. File, task, and project management is now routinely managed using these digital capabilities.

The principal customer facing strand of the ICT Strategy, 'My Council Services' (MCS), has seen development of a comprehensive and cost-effective platform supporting end-to-end service delivery. MCS enables 24-7 self-service and customer access, greater mobile working, and will help progress plans to achieve efficiencies through further channel shift.

Digital tools have been harnessed to increase productivity in the Councils Place making and Place leadership function. In the development of the Local Plan a consultation and engagement platform has been deployed to increase citizen engagement and the capabilities offered by AI have been used to assist in the analysis of consultation responses following development of a bespoke tool by the council and its partners.

A key supporting document for the Local Plan is the Epsom Town Centre Master Plan where new digital consultation tools were trialled, with 1,979 responses being received in a 6 – week period, surpassing all previous public consultation response rates at EEBC.

Both projects were supported by DLUHC 'PropTech' innovation funding and demonstrate to EEBC how digital technology can drive efficiency as well as better outcomes and have enabled the council to achieve successful response rates to consultations using minimum resources.

The council's planning development management service has undergone its own rapid service improvement journey, following a period of poorer performance in the wake of the pandemic. A **Business Process Re-engineering** exercise drew on 'lean'

principles to design more efficient processes, re-align staff resource to create a technical planning application validation team. Standard operating procedures were set out in a service manual to standardise the ways in which key processes were undertaken, alongside the rolling out of template letters and reports.

Process improvement, accurate resource allocation and capitalising on (previously un-used) IT capabilities have resulted in the planning service now consistently performing above expected performance levels. The planning application backlog has been eradicated, the service is delivering improved customer experience and EEBC is now amongst only a handful of Local Authorities in England, to launch a '**Fast-Track**' service for the swift determination of householder planning applications.

Use of capital expenditure deployed on an invest to save basis has enabled the council to establish the Epsom & Ewell Property Investment Company (EEPIC), in a move towards becoming more commercial and ultimately providing an essential and tangible income stream. In 2023/2024 net income from the company after borrowing costs amounted to £0.75M, with a further additional net income receipt of £753,000 due in 2024/2025.

The council has developed commercial approaches elsewhere across the organisation to transform service delivery. A re-design of the café offering at Bourne Hall, re-launch of the café under new branding – the Flying Saucer Café, review of opening hours, menu offerings and the scheduling of complimentary events to drive footfall alongside a cost neutral re-alignment of staff roles has resulted in the café achieving an income of £136,000 in 2023/2024 compared to a previous highest annual income figure of £62,000.

Forthcoming plans to achieve service and organisational transformation include:

- **Workplace Transformation.** Moving to new corporate offices that will enable greater agile working practices, achieving at least a 60% reduction in office space requirements, and operating from a more energy efficient workplace, significantly reducing actual spend and our organisational impact on the environment.
- **Financial Transformation.** Achieving further customer-focussed commercialisation of service delivery. A review of all non-statutory service provision and associated spending. Asset management and property strategy review.
- **New Ways of Working - Workforce Transformation.** Refreshing our approach to performance management to maximise workforce productivity. Focussing on organisational culture change. Reviewing training, development, recruitment, and policy guidance. Ensuring our workforce are fully supported in an agile, hybrid, working world.
- **Digital Transformation.** Rolling out further phases of the ICT Strategy, progressing further with cloud-based computing and additional modules of 'My Council Services' to advance channel shift aspirations.

Theme 2 – Using advances in technology and better use of data to inform decision making and service design.

In accordance with the Local Government Transparency Code, the council publishes a suite of [data sets](#) covering pay, expenditure, assets, parking data, information on delegated powers and certain fees. EEBC is also a signatory of the [Local Digital Declaration](#), a shared commitment to improving local public services (by sharing data) and signed by over 300 organisations.

The council has recently adopted a new performance and risk framework, enhanced by the new performance management software system, or 'Performance Hub' which seek to shift the organisation fully from output to outcomes driven.

As an organisation committed to continuous improvement, we recently commissioned a Local Government Association, Corporate Peer Challenge. The peer team, a selection of senior, highly experienced peer Members and officers, highlighted a number of ways in which the organisation could improve. As a result, we are developing options to speed up the time it takes to collate, analyse, present and report performance information to Councillors, to aid them in their decision-making roles. We intend to exploit the capabilities within our newly installed performance management software system to achieve this shift change.

Further opportunities for taking advantage of technology to add capacity to staff teams, and to inform decision making and service design that are currently under consideration include:

- Portfolio, Programme and Project Management software (Cloud-based)
- Asset Management software, and
- Legal Services Case Management software.

Theme 3 – Reduction of wasteful spend within systems.

Capital expenditure has recently been deployed in a preventative approach by investing in energy efficiency improvements in key operational buildings to both reduce wasteful energy consumption and therefore actual spend, and support climate change objectives.

The council is currently awaiting the outcome of several climate change related bids for grant funding. The pandemic has had a

long-term adverse impact on the council's finances which are still being felt today. Further capital expenditure projects with the potential to transform service design and delivery are hindered by the council's dwindling capital reserves (there are few assets to dispose of) and a lack of Government financial support.

In introducing Productivity Plans, Government has requested data on specified subjects to which EEBC's responses are set out below:

Subject	Expenditure	Comment
Percentage of total pay bill spent on consultants/agencies vs directly employed staff	14% agency consultants/ 86% direct employees	The majority of the council's expenditure on agency staff is accounted for in staffing the refuse and waste service, including LGV drivers. These are areas of national staff shortages.
Spend on equality, diversity & inclusion (EDI)	£0	We share the cost of EDI through Surrey wide shared e-learning modules that all staff can access.
Trade union facility time	£0	We do not officially recognise a Trade Union, due to low union membership in our organisation.

Theme 4 - Barriers preventing further progress that Government can assist with

The most significant central barrier to local productivity is single-year finance settlements. Without a clear indication about funding for multiple years, councils cannot effectively plan and deploy their resources.

We have also been hampered by the tendency of Whitehall to design and decide policy that affects councils without engaging the sector as fully and as early as it could. This has resulted in initiatives and funds that are more complicated than necessary and that are difficult and, in some cases costly, for councils to implement. We strongly support much closer policy co-design between central government and local councils.

We would also benefit from much greater flexibility for our council (and all councils) to decide how to raise and spend money locally. Central prescription and ringfencing constrain our ability to allocate our resources effectively.

We incur unnecessary spending and waste valuable officer time complying with rules, requirements, restrictions, and processes imposed by central government and regulators. These include:

- The number of specific, formula-based revenue grants and their separate reporting requirements – it would be much simpler and more efficient to roll all specific grants into a single provision in the Local Government Finance Settlement.
- The wide range of separate one-off revenue and capital grant pots with onerous, costly, and counter-productive bidding processes.
- Complicated, inconsistent, and misaligned processes for submitting data returns to central government.
- Lack of join-up between central government departments on issues including housing, homelessness prevention and asylum dispersal.

- Numerous statutory requirements to place notices in newspapers or issue written copies of routine notices.
- Excessive amount of information that is required in annual accounts or has to be published under the transparency code.
- Statutory overrides such as the requirement to value assets for accounts every year.
- Regulatory bodies seeking “to the letter” compliance with their statutory codes.

Impact of replacing (legacy) systems.

There are significant barriers to achieving further productivity gain at Epsom & Ewell Borough Council, some of which the council can work to address itself, some of which Government intervention or practical support would come as a welcome boost to productivity.

Alongside the cost implication of replacing legacy systems, the staff resource associated can act as a barrier to change. Government could consider making funds available to support local government to replace essentially ‘anti-productivity’ legacy systems or consider relaxing the requirements associated with specifying new systems (e.g., PSM compliance).

Government should consider intervening in the market to drive down the costs of services provided to the public sector, even when councils do partner, the costs of services provided to us are prohibitive. One such welcome intervention would be with the providers of software supporting democratic services. The dominant company delivering this software to most councils is no longer developing and improving the product, stymying EEBC’s ability to

further exploit the efficiencies of a digital democratic services system.

EEBC is currently able to have a lean democratic services function, in staff terms, as we exploit more capabilities within the software than neighbouring/ most authorities. Government should consider intervening directly or disrupting the market here as they have done with Plan X/ BOPS system development concerned with town planning software.

Central Government Policy/ Strategy Changes.

When changing policy and strategy approaches at a national level for implementation at a local level, Government could assist by fully funding the costs of change, as well as providing advisory processes, training, resources or templates. The time in developing this in every council is considerable (for example with the recent procurement changes). There is duplication and wasted time. Whilst EEBC work with other LA’s to try to share the workload, this relies on our own networks, whilst Government is in an ideal position to lead.

Commercialisation Agenda.

Government could issue clearer guidance on income generation and commercialisation in local government to save every local authority having to instruct legal advisors and spend time debating when a company is or is not needed. Support from central government could make the commercialisation agenda clearer and help LA’s transform their services and enter new markets.

The Localism Act essentially said that LA’s could do anything, except where other legislation prevents it. All LA’s have therefore dedicated time and resource in trying to understand what this

means for each of us, again leading to delay and duplication of effort.

Funding Uncertainty and Reductions Since 2010

In recent years, the local government finance settlement has been for one year only. In addition, the District Councils Network recently identified that 2024/25's "settlement falls well short of stemming the acute financial pressures for district councils resulting from the 15% real-terms spending squeeze since 2015, rapid growth in demand for temporary accommodation, and prolonged steep cost and pay inflation".

Going forward, by providing multi-year funding settlements and ceasing (or even reversing) real-terms funding reductions, government could provide Councils with greater financial planning certainty and the resources to maintain high quality services.

Greater funding certainty would enable higher quality long-term decision making for local services. For example, it would provide greater confidence when taking long-term decisions around investments to improve service productivity.

Allowing for hybrid and fully remote Committee Meetings.

Government could consider re-introducing the statute that, during the pandemic, allowed for fully remote committee meetings. Doing so would achieve greater productivity and efficiency gains by reducing or releasing space used exclusively for committee meetings, supporting the climate change agenda, supporting Councillors (and staff) with caring responsibilities, encouraging a wider pool of Councillors if greater flexibility is enabled and supporting greater inclusivity.