

# Productivity Plan

## South Derbyshire District Council

### 1. Introduction

Our [Council Plan 2024-2028](#) sets out the vision for South Derbyshire to; ‘*work together to shape our environment, drive our economy and support our communities*’ and the four key priorities and aims were identified that the Council will deliver over the next four years. We are proud that as part of our ongoing commitment to continuous improvement, one of these four priorities is dedicated to the modernisation and high performance of value for money and customer-focussed services.

At South Derbyshire, strong financial stewardship underpins our approach to service delivery and projects: we manage our budgets well to provide excellent value for money services and invest in key schemes to make a real difference in our communities. But our current medium term financial plan, which looks ahead to the forthcoming five-year period, is characterised by funding gaps brought about by assumed funding reforms.

Like all councils, the one-year settlement provided as part of the 2024/25 provisional local government finance settlement means that understanding our funding post the current year is extremely difficult. We are therefore making assumptions around funding reform, following the governments commitments to undertake this in the next parliament. We expect the council will be worse off over the coming five-year period to 2028/29 because of this and without intervention, these funding gaps will increase and threaten our ongoing financial sustainability and quality and availability of services to residents and businesses in South Derbyshire. Our new [Medium Term Financial Strategy](#), which was adopted by Council in April 2024, sets out the full assessment of our financial outlook and the plans which this Council will take forward to ensure the Council remains financially resilient.

The Government has highlighted a number of areas that organisations’ Productivity Plans should cover, including transforming the way services are designed and delivered; taking advantage of technology and using data to make better decisions; plans to reduce wasteful spend within the organisation and its systems; and barriers preventing progress.

The production of this document has cost South Derbyshire District Council £2,500 in senior officer time.

### 2. Productivity in South Derbyshire

The Council will deliver a range of improvements as part of its Sustainable Finance Plan, which sits within the [Medium Term Financial Strategy](#). This plan sets out how the Council will achieve savings over the life of the medium-term financial plan period and is effectively the Productivity Plan for South Derbyshire.

The below summarises how the Council will, via the Sustainable Finance Plan, transform the way services are designed and delivered; take advantage of technology and use data to make better decisions and reduce wasteful spend within the organisation and its systems. A summary of how the Council has achieved this to date is also set out.

## Transformation

Through actively reviewing services and comparing ourselves to and learning from others, we will be able to continuously improve services and how they are delivered.

Our Transformation and Business Change Plan 2020-2024 has scoped, managed and delivered a number of major changes across the organisation. The plan gave the Council a focal point for transformation and has delivered customer and digital improvements via four key themes which were then supported by a four-year roadmap, broken down into annual work programmes. The themes in the plan were: Customers; Technology; People; and Processes. Full detail of all achievements of the plan during this period are detailed in the “Transformation 2020-2024 Review and Summary of next Transformation Activities” report delivered to our Finance and Management Committee on 25 April 2024, which can be found [here](#).

We are actively working towards a range of improvements which were approved as part of our [Customer and Digital Projects Roadmap](#). These improvements are necessary for the further advancement of digital provision and / or customer provision linked with our aspirations set out in our Customer Access Strategy which is due to be approved in June 2024.

We are currently reviewing our Transformation approach and developing a new Transformation Strategy for 2024 and beyond.

What we have done	What we are doing/will do
<ul style="list-style-type: none"> <li>• Reviewed two key services identified as in need of improvement: Housing and Planning</li> <li>• Self-referred to the Social Housing Regulator after identifying areas where the Housing Service falls short of the required Consumer Standards and to seek an extension to April 2025 to meet these.</li> <li>• Mobilised a Housing Services Improvement Working Group to work with the Social Housing Regulator and meet the Tenancy Consumer Standards by April 2025.</li> <li>• Unblocked resource barriers in planning to work through a planning backlog, via use of a different delivery model</li> <li>• Committed to investment in staffing resources of the Planning Team.</li> <li>• Developed and consulted on a new Customer Access Strategy.</li> <li>• Reviewed and overhauled a range of core corporate systems and processes included performance management framework, risk management framework</li> <li>• Reviewed and restructured our Communications Team to become a Communications and Engagement Team.</li> </ul>	<ul style="list-style-type: none"> <li>• Committed to deliver £0.5 million of new and additional income and expenditure savings over the next five years – with additional cashable savings to be deployed back into service provision.</li> <li>• Deliver improvements as part of our Digital and Customer Improvements Roadmap;               <ul style="list-style-type: none"> <li>○ Community booking processes for tourism, environmental education and community assets.</li> <li>○ Environmental Health and Licensing solution incorporating mobile working.</li> <li>○ Review of technology supporting democratic services</li> <li>○ Establish a Customer Access Strategy(CAS) action plan to implement the strategic commitments outlined in CAS</li> <li>○ Implementation of a new waste services back office solution with integration to customer services data.</li> </ul> </li> <li>• Establish an organisation approach to benchmarking.</li> <li>• Developing a new People Strategy.</li> </ul>

- Transformed processes around senior leadership team decision making.
- Land Charges delivered via shared service with a partner council
- Leisure services operated by third party contractor
- Implemented a digital booking solution, allowing for 24/7 customer bookings and appointments with payment integration. Virtual appointments can also be offered as bookable TEAMS meetings for cases such as planning advice, business growth advice etc.
- Implemented a tenant portal for Council tenants which allows logging of certain requests 24 hours a day such as changes to tenancy details, previously only available when attending Civic office, view tenancy information, raise enquiries, raise repairs and check repair history.
- mySouthDerbyshire customer portal and record has been implemented and allows customers to access dozens of Council services 24/7 through a digital route, shifting the transaction workload and saving back office teams time taken to process requests.
- Updated the corporate call routing solution for interactive voice recognition (IVR). The system provides more details and gives customers more options when on a call to enhance their experience.
- Implemented a new corporate performance solution to improve the collection and presentation of Corporate Plan data using Microsoft PowerBI.
- Undertaken further improvements to the new corporate intranet using Microsoft SharePoint and Office 365 features.
- Replacement of a high number of the Council's major systems over the last four years to Software as a Service provision.
- Route optimisation, so refuse routes have been optimised which aids the service in load balancing, collection and planning labour for future growth.
- Undertook a £700,000 trial of two new refuse vehicles and close collaboration and support with ULEMco, BOC and Toyota Motor Manufacturing (UK) Ltd to test the performance efficiency of new hydrogen/ diesel refuse vehicles.
- Call Secure Plus software was implemented to ensure the Council is fully Payment Card Industry (PCI) compliant when taking payments over the telephone.
- Upgraded the revenues and benefits system and moved to the Cloud. The team have also moved the cashiering and payment system onto the Cloud.
- Installation of 24 new electric vehicle charging points across the district.

- Launching a “New Ways of Working” project, to transform the way in which the Council works (creating a more flexible customer experience; enabling more collaborative working and breaking down silos; joined up thinking; employee productivity improvements; recruitment and retention improvements; improved employee wellbeing; reduced sickness absence; service resilience).
- Developing a Transformation Strategy.
- Reviewing our Customer Feedback model to ensure we're making the best use of all customer feedback and actively pursuing feedback to understand service performance levels
- Developing a business case for the sharing of operational assets and services with a neighbouring local authority.
- Establishing a programme of service reviews, to explore service improvements and consider alternative delivery models.
- Undertake a organisation-wide review of our systems to ensure optimum deployment and engagement.
- Enhance the corporate system network for the capture, reporting and analysis of corporate data.
- Mobilising a governance framework for the delivery of the Sustainable Finance Plan.
- Reviewing our 30-year HRA Business Plan.
- In order for the Council to achieve net zero by 2030 we have identified six transformational actions relating to emissions from our buildings and transport fleet. The new Council Plan has prioritised delivering most of these transformational actions over the next 4 years.
- A Fleet management solution will be going live in Q1 2024/25, predicted to generate £1,200 savings / year on reduction of paper tickets and approximately 50% efficiency savings on staff processing time.
- Implementing a new case management solution for complaints and FOIs to improve visibility, workflow, awareness and reporting of a key customer function.
- Mail managements solution to aid case management is predicted to save £64,000 worth of staff time across the Legal department over the next 4 year when the system goes live later in the financial year.

## Commercial and income

Maximising revenue income is imperative to effective service delivery - ensuring that fees and charges are regularly reviewed so that wherever possible, the costs of service delivery are recovered, and that there is no cross subsidy from other service areas. This is particularly important for areas of discretionary spend, where the council does not have a statutory responsibility to deliver the service. Commercial awareness and acumen is also paramount to innovation in delivery.

What we have done	What we are doing/will do
<ul style="list-style-type: none"> <li>• Established a “Sustainable Finance” reserve to fund new income generating projects and initiatives.</li> <li>• Benchmarked fees and charges against other councils;</li> <li>• Established Commercialisation Plan for our Operational Services, to generate new and additional income from trade waste, street cleansing, grounds maintenance, waste collection and fleet services.</li> <li>• New Income Generation Project - Looking forward this commercialisation plan will be monitored by the Income Generation theme of the MTFs programme.</li> <li>• Rosliston Forestry Centre &amp; Environmental Education Project to introduce, the Revitalizing Rosliston Forestry centre project. A new 30-year lease has just been signed with Forestry England. Consultation work is planned on what developments are needed to increase visitor numbers and income. Including opportunities around increasing income from car parking at site, increase in lodge bookings each year and secondary spend e.g. café, gift shop, activities etc.</li> <li>• Active Schools Partnership - continues to retain and grow affiliation fees from schools, as well as securing funding from Street Games to deliver Holiday Activity and food programs (HAF).</li> <li>• Increased usage of community facilities and resultant.</li> <li>• Published an Operational Services Commercialisation Plan in November 2022 containing actions to deliver income of £153,000 in 23/24 increasing to £183,000 in 2025/26.</li> </ul>	<ul style="list-style-type: none"> <li>• Committed to deliver £6 million of new and additional income over the next five years.</li> <li>• Developing a new Corporate Charging Policy to guide service areas effectively and practically in ensuring that the income meets the cost of service or contributes to fixed costs;</li> <li>• Review all fees and charges to ensure cost recovery is achieved;</li> <li>• Ensure discretionary services that do not recover their full cost and unlikely to do so are appropriately considered;</li> <li>• Review the Council’s Council Tax Support scheme;</li> <li>• Develop a Commercial Strategy for the organisation</li> <li>• Undertake a commercial review of Rosiliston Forestry Centre;</li> <li>• Identify and implement new income generating projects/initiatives.</li> <li>• Review our Corporate Debt Policy.</li> <li>• Review chargeable services with a view to maximising pay at point of service/delivery.</li> <li>• Implementation of charging for pre-application advice (expected £50k a year).</li> <li>• Rolling out Planning Performance Agreements (expected £100k a year)</li> <li>• Discussions with other Councils about provision of call monitoring on a commercial/consortium basis.</li> <li>• High level scoping of opportunities in the future such as offering repairs to other landlords.</li> </ul>

## Asset Management

Managing the assets we own well, ensuring optimum performance cost effectiveness underpins our asset management approach.

What we have done	What we are doing/will do
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<ul style="list-style-type: none"> <li>• Established a successful investment portfolio that generates circa 8% rate of return per annum.</li> <li>• Transferred responsibility for management and maintenance of assets to partners where there is no ongoing benefit of ownership for the Council.</li> <li>• Agreed several collaboration deals with commercial and local landowners to release landlocked land for development purposes, thereby achieving new housing growth and capital receipts for reinvestment back into council assets.</li> <li>• Developed a Planned Preventative Maintenance schedule (PPM).</li> <li>• Structured long-term contractual relationships to ensure asset maintenance responsibilities are fair and do not disadvantage the Council.</li> <li>• Followed up on contractual provisions to ensure where contractors are liable for covering the cost of maintaining assets, this if fulfilled.</li> <li>• Agreed a new Fleet Replacement Strategy</li> <li>• Reviewed Rosliston Forestry Centre to optimise the use and commerciality of the site.</li> </ul>	<ul style="list-style-type: none"> <li>• Committed to deliver £2.1 million of new and additional income and expenditure savings over the next 5 years.</li> <li>• Reviewing performance of existing “investment assets” including the rationalisation of underutilised council assets</li> <li>• Seeking opportunities to acquire new income generating assets to increase and enhance the investment portfolio.</li> <li>• Developing a business case to replace our existing main leisure centre and civic offices to enhance suitability, environmental and financial credentials.</li> <li>• Solar powering our assets.</li> <li>• Review our Asset Management Strategy.</li> </ul>
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## Managing spend

Since a significant proportion of the Council’s net spend is on supplies and services, ensuring that spend is

<p><b>What we have done</b></p> <ul style="list-style-type: none"> <li>• Created a new Procurement Lead post, to act as lead officer on procurement and contract management within the organisation.</li> <li>• Established a “Spend Matters” corporate action team, consisting of cross-organisational officers who meet on a regular basis to identify and support continuous improvement in procurement and contract management.</li> <li>• Amended our procurement thresholds to enable effective procurement and remove barriers to engaging low-value suppliers.</li> <li>• Established a strategic alignment for the procurement with a neighbouring authority, to achieve economies of scale through shared procurements.</li> <li>• Designed processes to ensure services effectively plan their procurements in advance as part of annual service planning.</li> <li>• Identified areas of non-compliance and mobilised further data analysis exercises to ensure spend is compliant with procurement regulations and that arrangements represent the most value for money solution.</li> </ul>	<p><b>What we are doing/will do</b></p> <ul style="list-style-type: none"> <li>• Committed to deliver £1.44 million of new and additional income and expenditure savings over the next five years.</li> <li>• Procuring and mobilising a new shared service provider alongside a new internal structure for procurement.</li> <li>• Further reviewing our contract procedure rules to ensure they are streamlined and enable effective achievement of procurement exercises.</li> <li>• Training all of our procuring officers on organisational requirements and the new Public Contract Regulations.</li> </ul>
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- Tested and reprocurd key contracts, including leisure services and housing repairs.

## Financial and Treasury Management

Achievement of financial savings through measures that link with financial and treasury management practices are an essential part of our Sustainable Finance Programme.

What we have done	What we are doing/will do
<ul style="list-style-type: none"> <li>• Limited external borrowing</li> <li>• Overhauled our budget monitoring approach to streamline and enhance data quality, thereby improving member oversight and scrutiny.</li> <li>• Redesigned the budget development process to be service led, engage members more effectively throughout and seek citizen feedback through consultation, ensuring proposals are tailored in response.</li> <li>• Built the Council's reserves over time to achieve significant investment income due.</li> </ul>	<ul style="list-style-type: none"> <li>• Committed to achieve £0.98 million of income and expenditure savings over the next five years.</li> <li>• Undertaking an assessment of the council's financial management approach against CIPFA's Financial Management Code.</li> <li>• Reviewing the current model deployed for relieving double taxation for residents living in parished areas.</li> <li>• Undertake budget analysis.</li> <li>• Review the council's existing debt portfolio.</li> <li>• Review treasury investment opportunities.</li> <li>• Training staff, managers and leadership on financial management</li> </ul>

### 3. The barriers preventing progress that Government can help to reduce or remove

The Government has requested that barriers preventing progress are highlighted in plans. A summary of key barriers with the "Ask" of Government are listed below:

This section will be updated with the agreement of the Finance and Management Committee Chair, with wording from the District Council Network, but will include reference to:

- **Multiyear settlements** – the 2024/25 financial settlement covered only one year – 2024/25. 2024/25 will be the sixth year of single-year settlements for councils, which hampers the council's ability to undertake effective financial planning and ensure financial sustainability. In future local government should be given at least a three-year settlement which will allow it to make financial plans with some degree of funding certainty. The last 4-year settlement ended in 2019/20. The Council asks that a multi-year settlement is received in the first year following the General Election.
- **Increase funding levels** - For a long time now, there has been (in relation to Fairer Funding and Business Rates Retention) a continued focus on distribution/allocation. Whilst this is very important, the issue of sufficiency must be considered first. The LGA and other representative bodies have done a significant amount of work to quantify the gap which we understand to be c£4 billion.
- **Funding inequity** –

- **Council tax flexibility** - The Council notes that the current referendum limit for council tax is 2.99% or £5. The Council believes that greater flexibility council tax levels is needed locally. The Council notes that when some councils have been in financial difficulty the flexibility has been granted and we have seen increases above 10%. The Council asks that greater flexibility is given re council tax levels
- **Emerging legislation and funding** - The Council notes the Government's legislative agenda in areas like waste management. The Council asks that legislative reforms or other Government requests are accompanied by adequate funding.
- **Capital funding**
- **Council Housing** – stop RTB or at least consider the ability of councils to retain 100% of RTB receipts
- **Homelessness**
- **End Competitive bids / provide targeted funding**