



# Productivity Plan

Rugby Borough Council

July 2024

1)

**What? Transformation of services to make better use of resources.**

**Why?** The sector faces significant challenges in providing high-quality services due to reduced funding, rising costs, and increasing expectations. With our Corporate Strategy (which will be refreshed in 2024), RBC aims to demonstrate the full value we deliver for the money spent to achieve our goals. Failure to adapt and transform services will leave us behind and may force the organisation into making tough decisions about future service provision. Through transformation, we can introduce innovation and new ideas. While this may require an initial upfront investment, it will deliver long-term Medium Term Financial Plan (MTFP) benefits. Transformation is not just about cost reduction though; it is also about creating high performing services our residents are proud of, comparable to interactions they have with other organisations.

**How?** We began our transformation journey in 2021 by defining the four key outcomes of our previous corporate strategy. One of these outcomes, "Organisation," focused on creating a responsible, effective, and efficient organisation. The projects within the ending corporate strategy delivery plan, demonstrate the priorities for achieving this outcome. We have also published our transformation goals, which led to the establishment of a dedicated transformation team.

The transformation programme aims to enhance strategic capacity, implement a culture of empowerment and accountability, and improve member/officer relationships. In 2023/24, the programme was integrated into the Corporate Strategy Delivery Plan, creating a cohesive approach ("golden thread") that runs through all council work. This ensures clear visibility for all aspects that contribute to demonstrably delivering the Corporate Strategy.

A Programme Board was established to lead the delivery of the Corporate Strategy Delivery Plan (CSDP). The Programme Board comprises the Chief Executive, Deputy Chief Executive, Chief Officer Finance and Performance, and the Transformation Lead. Meetings then include the relevant project executives (Chief Officers) and Project Officers as needed. With the establishment of a project management methodology, we can ensure a consistent and professional approach that all officers follow when delivering projects.

Recognising that transformation requires investment, we earmarked a reserve of £1.500m to support the delivery of our goals: accelerating change and building resilience. Officers may be seconded to the CSDU with their substantive posts backfilled to speed up the transformation. Additionally, we will procure sector experts to provide challenge and support.

The Medium-Term Financial Strategy (MTFS) 2024- 2028 has identified that through the continued policy of transferring all business rates growth to a reserve before the review, the council has a savings target of approximately £5.405m over the next five years of the MTFP. Therefore, transformation is critical to delivering lawful budgets each year.

Delivering excellent Value for Money (VFM) services is a major focus of the MTFP. This necessitates reviewing all areas of the business to ensure optimal resource utilisation. We will conduct a detailed analysis of each service area, with an initial focus on high-risk and high-profile functions. Leveraging insights from the budget monitoring process, finance business partners will collaborate with key officers to assess value for money achievement and identify opportunities to deploy our commercialisation methodology using the adopted pillars. Employing a squad-based approach, officers with the relevant skills and knowledge may be seconded to the project, and our project management principles will be applied to all such reviews. The outcomes of this work will be reported to the Budget Working Group but may be directed to Programme Board if a transformation project is recommended.

## Measures of Success

- Identifying budget savings required through delivery of transformation schemes.
- Transformation objectives included in Leadership Team and Management Team PDRs.
- Delivery of schemes in the CSDP.
- Ending of unviable schemes – fail quickly.
- Results of VFM review from external auditors.
- Identify performance indicators and use them to drive performance.
- Use Commercial strategy to guide a new way of working.
- Use subject matter experts (internal and external) to prevent mission creep.
- Redesign processes around the customer experience.
- Look to make processes digital by design to create modal shift.
- Positive KPI information detailing success delivery of targets.

## Key Reference Documents

- Annual external audit Value for Money assessment.
- Commercialisation pillars
- Corporate Strategy Delivery Plan.
- Corporate Strategy.
- Commercial Strategy.
- External Audit Value for Money Assessment.
- MTFS.
- Quarterly Finance and Performance Report.
  - KPI/Key stats and measures dashboard.
- Resident survey
- Stakeholder feedback.

## What we have achieved so far...

Through becoming a performance led organisation we are able to understand where we are delivering excellence and through analysis can focus resources to improve performance in a targeted way

Through the use of software we have been able to provide bespoke services to tenants and ultimately reduce the risk of non payment due to financial hardship of the tenant base

Installed a Corporate Strategy Delivery Unit to support organisational transformation

Developed a transformation programme (now evolved into the Corporate Strategy delivery plan)

Developed commercial pillars which empower staff to understand the criteria for innovation

Released a resident survey so that we can understand the impact we are having on residents and use feedback to drive transformation

## Where we are heading in 2024/2025...

Future proofing our commercial waste service by reviewing the entire operation ensuring long term efficiency, cost effectiveness and alignment with our commercial vision

Route optimising waste collection services enabling us to move to a more efficient service with a higher recycling rate

Purchase of garage digitalisation software to increase efficiency and improve data collection for our fleet users

Continued to embed finance business partnering and improving the model throughout the organisation

Through employee PDRs we can ensure that transformation is embedding across all levels of the organisation

Consider our priorities in relation to available resources to improve capacity

Undertake a stock condition survey to inform HRA business plans

Implementation of a commercial strategy to provide a platform for continued transformation

2)

**What?** Opportunity to take advantage of advances in Technology and make better use of data to inform decision making and service design.

**Why?** Leveraging available technological advancements is critical to truly demonstrate service transformation. This aligns with the "modern organisation with optimised ways of working" aspiration within our previous corporate strategy and the Rugby Blueprint. Being data-driven is another key objective. As part of the 2021 leadership reshaping, a Chief Officer for Finance and Performance was established. Over the past 18 months, we've been building the foundation to utilise data and performance metrics to understand services and ensure resource allocation aligns with priorities. Introducing Power BI as a method for reviewing and streamlining KPIs will ensure we achieve the desired impact.

**How?** Digital enhancements are a key driver of our corporate strategy. While not unique or radical, this approach, with the proper foundation, maximises our chances of success.

The 2023/24 financial year saw the IT service reshape, establishing the new IT and Digital Transformation Team. This positions the organisation to leverage technology and deliver on its aspirations. Realising our strategic goals hinges on understanding and utilising service delivery data. The suite of KPIs, key stats, and operational performance measures implemented during 2022/23 has demonstrably shown target achievement and identified areas for improvement. However, an inward focus can provide a distorted view. Through benchmarking with other clubs and networking, we aim to become a sector role model while learning ways to enhance service delivery.

Through the project management framework that we have established to support the delivery of the CSDP we have an organised and structured approach to delivery significant change in the organisation.

### Measures of Success

- Achievement of targets within KPIs and stats.
- Cost savings to deliver a balanced MTFP.
- Delivery of the projects within the Corporate Strategy delivery plan which align to digitalisation this includes.
  - Route optimisation and introduction of in cab data within the waste fleet
  - Introduction of AI
  - Dynamic resourcing scheduler for our property repairs service
  - Delivery of cashable savings to support the MTFP
- Fewer complaints.
- More self-service where desirable.
- True transformation demonstrating tangible benefits that can be delivered.
- Reduced sickness in relation to mental wellbeing for staff.
- Removal of waste from business processes.
- Reduced call times in the contact centre.
- Using commercial pillar approach, engaging colleagues to provide ideas.

### Key Reference Documents

- Corporate Peer Challenge action plan.
- Commercialisation pillars.
- Corporate Strategy.
- Corporate Strategy Delivery Plan.
- Commercial Strategy.
- Delivering Corporate strategy report.

- KPI/Key stats and measures dashboard.
- MTFS.
- Quarterly finance and performance reporting.
- Residents survey.
- Stakeholder feedback.

### What we have achieved so far...

Through introducing technology inside our waste services fleet are provided with route information and an ability to record issues with bins that have or have not been presented

Using powerBi to produce intuitive management information to aid decision making

Launched a new website allowing better functionality

Installed app payment options for car parking

Provide online forms and included automated systems such as consultation emails within Regulatory Services

Use of mobile apps linked to IT systems to streamline site visits

### Where we are heading in 2024/2025...

Introducing Dynamic Resource Scheduling, an integrated solution for our properties repairs team allowing job management, mobile and scheduling capabilities. This will allow the team to complete jobs effectively first time, delivering a higher quality service, while reducing operational costs

Introduce software that will allow customers to self serve when it comes to paying debt and also a tailored automated reminder service

Increased usage of digital channels to resolve service requests via digital channels, servicing queries 24/7 across the organisation (currently 75% are dealt with in this way)

Develop an AI mplementation strategy

Introducing an online ticketing portal to improve the customer experience at the Benn Hall

Installing online direct debit software to give account holders the option to self serve, which will reduce the demand on the phone lines

Investigating the use of AI to validate planning applications

3)

**What? Ways to reduce wasteful spend.**

**Why?** As a public body entrusted with taxpayer funds, we have robust governance practices to ensure we maximise the value derived from every pound received from residents and businesses. This commitment extends beyond national procurement guidelines for the sector. Our external auditors conduct annual value-for-money assessments, evaluating our performance under the criteria of Financial Stability, the 3Es (Economy, Efficiency, and Effectiveness), and Governance.

We face a challenging financial landscape. Funding is decreasing, while costs are rising. Significant investment is necessary to drive innovation and transformation across the business and the borough.

The Medium-Term Financial Strategy (MTFS) outlines a £5.405m savings target to be achieved by March 31, 2028. To deliver on this goal, we have undertaken a comprehensive review of all spending areas. Council approved the budget for the 2024/25 financial year alongside a suite of strategies encompassed within the MTFS framework.

Given the size of our district, engaging consultants and external contractors for specialised tasks is inevitable. This includes infrequent projects that would not warrant a full-time position. However, adherence to due process remains paramount in achieving our goals.

**How?** During the annual budget setting process, specific areas of spend, such as IT software licenses and temporary staffing agencies, will be assessed for efficiency improvements. Procurement exercises will be completed following our contract standing orders policy and procurement strategy. Statistical analysis, such as cost-benefit analysis, will be presented to management and leadership teams at least quarterly.

Contracts due for renewal within 24 months are reported to Chief Officers. The contract renewal process is undertaken to maximise the chances of demonstrating best value. Built into the medium-term financial strategy is a requirement to move as much spend as possible to contract types with a focus on cost optimisation.

Following the establishment of the programme board, all schemes on the CSDP will be monitored to ensure they meet initial objectives or that adjustments are approved. Ultimately, any new budget requests need approval by cabinet and council. The business case must demonstrate how the investment adds value to the organisation.

**Measures of Success**

- Achievement of KPIs/stats/operational measures.
- Better value from contract renewals.
- Engagement of staff involved in training sessions.
- Less off contract spend.
- Less risk of fraud and error.
- Positive corporate assurance reviews.
- Reduced costs supporting the MTFP.

**Key Reference Documents**

- Corporate Peer Challenge action plan.
- Commercialisation pillars.
- Corporate Strategy.
- Corporate Strategy Delivery Plan.

- Commercial strategy.
- Delivering Corporate Strategy report.
- KPI/Key stats and measures dashboard.
- IT & Digital strategy.
- MTFS.
- Procurement Strategy
- Quarterly finance and performance report.
- Residents survey.
- Stakeholder feedback.

#### What we have achieved so far...

Review and updated the risk management proces with renewed focus for all levels in the organisation

Established financial regulations which identifies roles and responsibilities of all key officers

Provided specific training to members and budget managers

Restructured the IT team establishing a Digital Enablement and Transformation team

Entered into a contract with a new provider to get better value for money and higher quality agency staff

Established a Finance Business Partner approach which is more aligned with understanding and supporting the business

Refreshed and implemented a revised procurement strategy with our partner organisation

Introduction of a Budget Working Group to help strategically implement a new rolling 3 year MTFS

#### Where we are heading in 2024/2025...

Carry out service reviews to ensure 3 E's are being delivered

For selected services consider zero based budgeting or a similar deep dive review of costs

Through specific procurement reporting ensure contract standing orders are implemented

Ensure the requirements of the new procurement act are understood and followed by everyone

Implement a commercial strategy

Ensure budget managers have continous development and understand the importance of good financial management

4)

**What?** Barriers preventing activity that government can help to reduce or remove.

**Why?** Government provides a framework for everything that we do as an organisation, however there are areas in which we feel create barriers for our progress.

- Competition for grant funding creating inequity between those that have and have not got in house expertise in grant bid writing.
- Councils are generally risk averse when it comes to commercial investment, and if not are criticised by the government e.g. shopping centres.
- Continued delays in the announcement of reforms such as business rates reset, and fair funding have meant long term planning is difficult.
- Complicated, inconsistent, and misaligned processes for submitting data returns to central government.
- Excessive amount of information that is required in annual accounts or must be published under the transparency code.
- Excessive bureaucracy around funding.
- Excessively prescriptive grant funding eligibility criteria means it is incredibly challenging to spend.
- Lack of join-up between central government departments on issues including housing, homelessness prevention and asylum dispersal.
- One-off bid competitive bid cycles have the impact of increasing the demands for certain skills and expertise which everyone then tries to secure at the same time.
- Numerous statutory requirements to place notices in newspapers or issue written copies of routine notices.
- Regulatory bodies seeking “to the letter” compliance with their statutory codes.
- Statutory overrides such as the requirement to value assets for accounts every year.
- Single year settlements preventing detailed planning around MTFS.
- Set increased limits for council tax increases.
- The complexity of the production and auditing of financial statements for a district council creates significant resourcing challenges.
- The wide range of separate one-off revenue and capital grant pots with onerous, costly, and counter-productive bidding processes.