

BEDFORD BOROUGH COUNCIL PRODUCTIVITY PLAN

Introduction

The Local Government Finance Settlement requested that all councils produce productivity plans to submit to Department for Levelling Up, Housing & Communities (DLUHC) (now Ministry for Housing, Communities and Local Government (MHCLG)) and publish on the Authority's website.

This document sets out Bedford Borough Council's productivity plan based on four main questions posed by the Department to demonstrate how the Authority maximises available resources and delivers value for money for its residents.

Bedford Borough Council has a good track record of delivery efficiencies through improved productivity as demonstrated by the minimal level of reductions that the Council has made to front line services over the years whilst delivering a balanced budget. Over the last 10 years the Council has made cumulative savings of £68 million.

The Council's net budget for 2024/25 of £170 million which includes a savings requirement of £6 million. The Medium-Term Financial Strategy, as reported in March 2024, has a cumulative budget gap of £39 million up to the end of 2028/2029 which is being proactively managed. The forecast will be refreshed in September 2024 with an updated savings programme over the medium term published in November 2024.

How you have transformed the way you design and deliver services to make better use of resources.

In response to financial challenges and an ambition to improve how the Council delivers services to residents, the Council embarked on its original transformation programme in 2017. This programme transformed how the Council works and delivers services, such as the development of the single front door, enhanced re-ablement services, and more efficient, digital ways of working for staff. Between 2017 and 2021, this programme delivered savings of £18 million.

As part of the Council's continued commitment to transform, over the following 3 years, the focus has been on reviewing support and administration functions provided in its front, middle and back offices. This alongside a wide range of service area developments has led to further savings of £19 million.

The Council's latest Efficiency Plan was approved by the Executive on 22 November 2023; with proposals aimed at further modernising Council services within the context of a continually challenging financial environment.

This reflected the continued commitment of the Council, in response to the financial challenges, to develop an ambitious plan to transform service quality, realign financial resources to corporate plan priorities and improve customer service. The approved 4-year Efficiency Plan targets reviews aimed at improving services, coupled with much needed, carefully planned and affordable investment.

The Efficiency Plan is aimed at delivering Council services more efficiently and in a more convenient way for Borough residents and businesses. The programme is being built around the following principles:

- transforming service quality;
- improving organisational productivity and process efficiencies
- improving customer service; and
- making prudent and affordable investment in services.

The Council will continue to look for efficiencies and better ways of working as part of the day-to-day operations of the business, through the four key themes outlined below, and the process will include:

- (a) Creating capacity through additional efficiencies and service delivery options;
- (b) Implementing demand management strategies;
- (c) Increasing Business Rate income through economic development activity;
- (d) Raising additional revenue such as increasing income and external funding;
- (e) Identifying opportunities to "invest to save".
- (f) Reductions in costs through a proactive procurement and strategic sourcing approach.
- (g) Adopting a commercial approach to contract management and monitoring
- (h) Considering alternative approaches to existing service delivery methods

THEMES	DESCRIPTION
<i>Developing the Workforce Operating Model</i>	This theme aims to create a 'one council' approach to service delivery, through a thorough review of structure, processes and skills. It will involve reviewing the staffing structure and scope to rationalise with minimum impact on services, including a review of agency staff costs. The review is necessary to ensure that the Council maintains the staff capacity and skills necessary to deliver high quality services.
<i>Managing Demand Better</i>	This theme includes initiatives and work practices across service areas to best manage demand to achieve better outcomes for clients and service users, including the adoption of improved early intervention methods (particularly Adults & Children's Services and Homelessness). Demand management and behaviour change offer significant opportunities to save money over and above traditional savings approaches, leading to the reduced consumption of certain services and increased take-up of others.
<i>Effective Contract Management and Commercialisation</i>	<p>This includes the development of a programme of contract reviews to (i) ensure that services and products are delivered when required, (ii) improve relationships with providers by consolidating contact between the parties, (iii) governing and overseeing procurement processes and ensuring that they are in line with contractual agreements, (iv) seeking improvements in contractual terms and ensuring the contractual agreement remains relevant and up to date, and (v) continually evaluating quality and performance.</p> <p>This includes a comprehensive review of all third party spend to identify and map current and future projections; undertake a supply chain assessment; and complete a high-spend analysis and segmentation of data (such as value for money) to inform future plans and potential commercial opportunities. A series of reviews will also be undertaken on trading services to inform commercial decisions; and this will include assessments of price setting, service demand/volumes and the recovery of full-service costs, including overheads.</p>
<i>Service Offer</i>	This theme includes exploring alternative, improved methods of conducting the business, including a review of essential accommodation needs and the positive transition to lean methods of operation. The outcome of this commitment is the adoption of streamlined approaches to business processes, with reduced bureaucracy and emphasis on a "right first time" culture and the use of digital delivery channels will enable as many services as possible to be accessed by customers online through a single customer

THEMES	DESCRIPTION
	portal at their convenience (mindful, of course, that there will always be a number of customers who will not be able to switch).

How the Council plans to take advantage of technology and make better use of data to improve decision making, service design and use of resources.

The Council recognises the importance and opportunities to make best use of technology and data to improve productivity, performance and decision making across the organisation. The Council continues to focus on delivering innovative solutions across the three interrelated strategic pillars: digital, data and technology. The Council is in the process of developing a Data Strategy which will be launched later this year. The Council has launched a Data Academy, working with our partner Multiverse to upskill staff across the organisation to support the aim of developing our vision of becoming an insights and data driven organisation, enabling the Council to make high value and proactive decisions.

In its vision to enable the digital resident, the digital workforce and digital collaboration with other agencies the Council has recently deployed the second generation of its digital portal, supporting the single front-door objective for all entities that transact with the Council. This has been augmented with the introduction of an integrated Customer Contact Centre solution and migration of our telephony services into the Cloud. Together these support our omnichannel ambitions to ensure a consistent user experience regardless of how you contact the Council whilst still delivering the efficiency and productivity gains afforded by new technologies.

This digital foundation will now be used to introduce a number of enabling technologies into our services to deliver further productivity gains and embellish the customer experience. These include the development of a brokerage service that will enable the interoperability between all the enterprise systems and enable the utilisation of master data management across the organisation. Robotic Process Automation (RPA) will be used where direct digital integration isn't feasible and where repetitive manual processes can be automated. The Council are also investigating the introduction of Artificial Intelligence (AI) technologies across all its services. Whilst AI introduces a plethora of new opportunities, its introduction must be delivered in such a way that it does not compromise any legislative, ethical or security policies.

Business continuity remains one of the key priorities for the Council. The productivity impact on organisations caused by cybersecurity breaches or global IT outages continue to dominate the news. The Council is focused on continuous improvement of its cybersecurity posture and mitigating the risk of a single vendor IT outage.

Plans to reduce wasteful spend with the organisation and systems

The Council does not consider there to be excessive waste in the organisation following the years of funding reductions and savings. Benchmarking with other local authorities demonstrates that the Council is a lean organisation with specific policy objectives or demographics where the Council is seen to be in the upper quartile against comparator authorities.

However, there are always areas of potential improvement, some examples of efficiencies that have been delivered and are in train are set out below:

School Transport – Following significant cost and demand increases a review was undertaken of children's mainstream transport for all school routes and transport options. The review included the full retendering of routes which has delivered savings in excess of £1 million per annum, with further savings anticipated in the next financial year.

Children's Services Placements – A programme is underway to ensure that services provided to children and young people, and the processes used to commission these services, provides best value and good outcomes for Bedford Borough residents. This covers governance and panels; funding contributions to care costs, Sufficiency Strategy; in-house foster care provision; digital improvements and developing the approach to work designed to safely reunify children who are in care with their parents.

Agency / Consultancy Spend – The Council is working to increase the number of permanent staff thereby reducing the cost of agency staff and consultants. A range of measures are in train which include the development of the employee value proposition (EVP), greater use of LinkedIn to target and attract potential candidates, modernising the job application process, recruitment through temp to perm and overseas recruitment for social care.

Equality, Diversity and Inclusion (EDI) – The Council's EDI Strategy supports compliance with the Equality Act 2010 and the Public Sector Equality Duty 2011. The Council does not have any EDI programmes outside of meeting the Statutory Duty. The Council ensure compliance with its statutory duties with 1 EDI Officer. Mandatory training is in place for all officers in relation to EDI, and EDI champions are being established across the Council to actively promote and raise awareness of EDI.

The barriers preventing progress that the Government can help to reduce or remove

Finance Settlement – Local Government has long advocated the need for multi-year settlements to enable authorities to undertake good financial planning and ensure financial sustainability in the longer term. Given the increasing pressures facing local government making good decisions for the longer term particularly in relation to preventative services is challenging without the insight of the future funding position. The timing of the finance settlement is also increasingly difficult for those authorities, such as Bedford, who have an elected mayor due to the conflict resolution procedures required under the legislation. Over the years the settlement has moved from the first week of December, to a few days before Christmas.

Funding Sources – Funding levels do not meet the growing demands being seen in areas such as social care and housing. It is recognised that there are no quick answers to this, however the growing number of bidding exercises for funding together with different governance and sign off arrangements for each government department has become bureaucratic. In some cases, funding is not announced until after the beginning of the financial year making it impossible to plan (e.g. Public Health grant). Bidding for funding, takes expertise and resource which Councils may not have, which leads to a widening gap of funding between those Authorities with greater capacity and skills to bid for funding and those that have not both in terms of funding and services for residents and taxpayers.

Temporary Accommodation – Bedford has seen growing demand in temporary accommodation since the pandemic. The maximum amount of Universal Credit Housing Element and Housing Benefit for a private sector tenancy is set by the Local Housing Allowance, which is based on the size of property required by the household. There is now a very significant difference between the typical market rents in the Borough and the Local Housing Allowance (LHA), which makes it very difficult to source affordable private tenancies. The Council would urge Government to review LHA levels and the cap on Housing Benefit subsidy for temporary accommodation sourced from the private sector which has been frozen at 90% of 2011 LHA rates and has a significant impact on the Council's costs.

Supported Exempt Accommodation (SEA) – In recent years the Council has seen a proliferation of supported accommodation in the Borough operated by organisations that are not registered providers of social housing (RSLs). The Council's preference would be that all supported accommodation providers were RSLs, but recognises that at present other providers in the Borough play an important role in offering accommodation to people who would otherwise be at very high risk of homelessness, including people fleeing domestic violence and those with drug or alcohol dependency. The Council welcomed the Supported Housing (Regulatory Oversight) Act which provides a framework to enable regulation of these providers to ensure accommodation and support is of a suitable standard. Therefore, the Council would like to see the enabling regulation enacted together with new burdens funding to deliver this essential regulation.

Currently, the Housing Benefit subsidy for this form of SEA is limited to the Rent Officer Decision which is often £200 or more per week less than the rent that is charged and Housing Benefit that the Council must pay. The Council takes a robust approach to challenging rent levels, but as evidenced by the supported accommodation offered by registered providers of social housing, good quality accommodation and support is expensive. Therefore, the Council would ask that in conjunction with regulating this form of supported housing the Government reviews the Housing Benefit subsidy arrangements and classification of vulnerable persons for Housing Benefit purposes to ensure that where supported housing is provided for those in genuine need the local authority is not financially penalised where it has very little, if any means, to control the expenditure.