

# STEVENAGE BOROUGH COUNCIL PRODUCTIVITY PLAN 2024-25

This document has been published to meet the Government's requirement that all Councils have an approved Productivity Plan in place and available on the website by 19 July 2024. The Plan has been compiled addressing the lines of questions as set out to Chief Executives on the 14 April 2024. This letter acknowledged that Local Government has already done a huge amount in recent years to improve productivity and efficiency. The plans are to 'help' the Government understand what is working well across the whole country, identify common themes and any gaps.

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

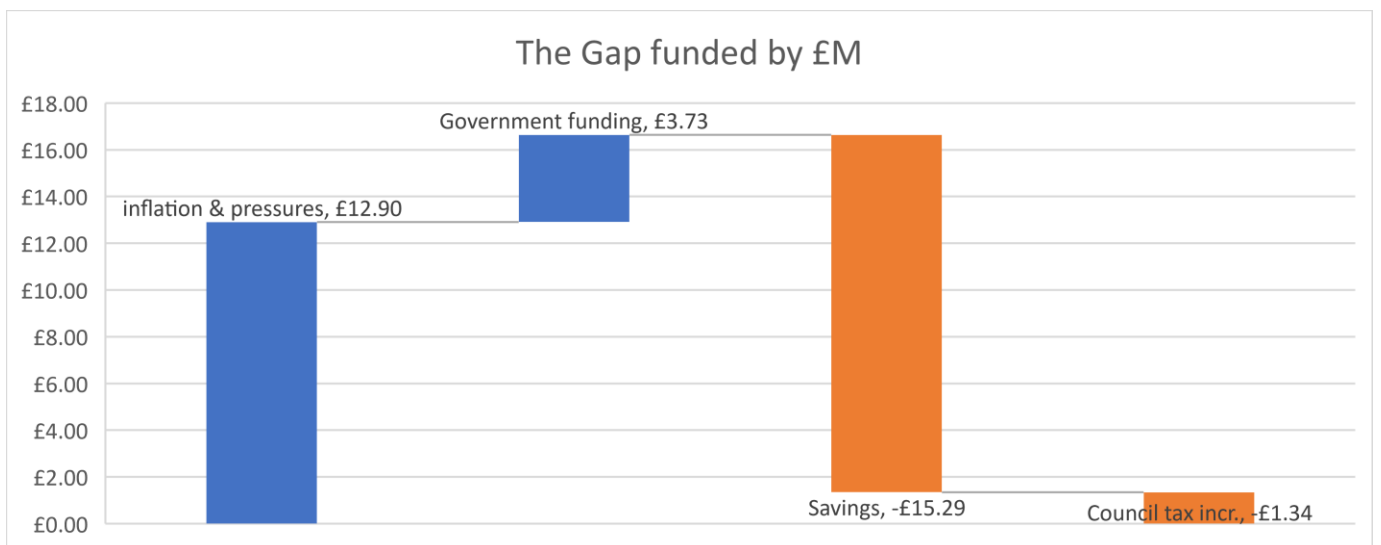
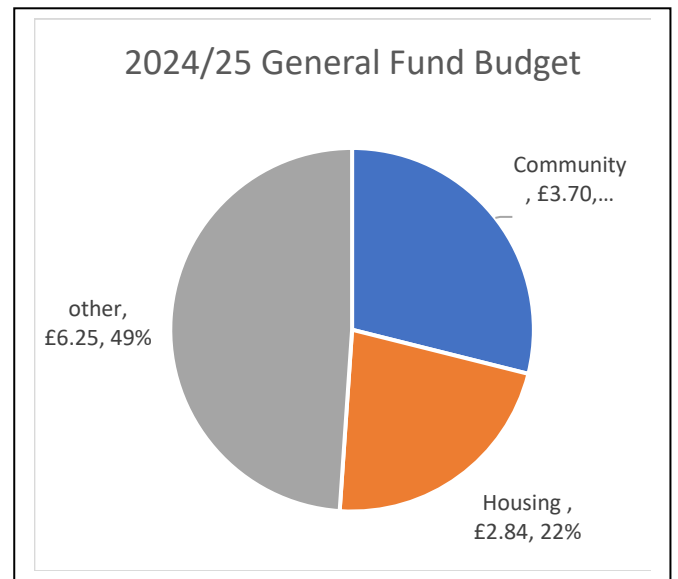
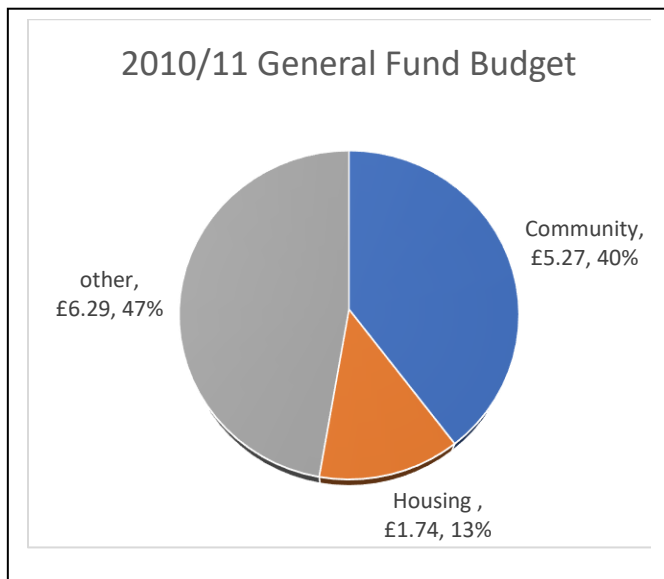
**Government questions to be answered in Productivity Plan:  
how has the organisation changed in recent years to become more productive? You may wish to consider what you have done around staffing, structures, operating models etc;**

1. How do you measure productivity in your organisation?
2. What changes have you made to improve services, and what effects have those had?
3. What are your current plans for transformation over the next two years and how will you measure the effects of those changes?
4. Looking ahead, which service has the greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?
5. What role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more.
6. What preventative approaches you have undertaken and can the value of these be quantified?
7. Are there wider locally-led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?

In periods of high inflation, there will be an adverse impact on any productivity measures which have not been matched by increased funding. For 2024/25, inflationary and budget pressures totalled £1.9million compared to £432K increased Government funding.

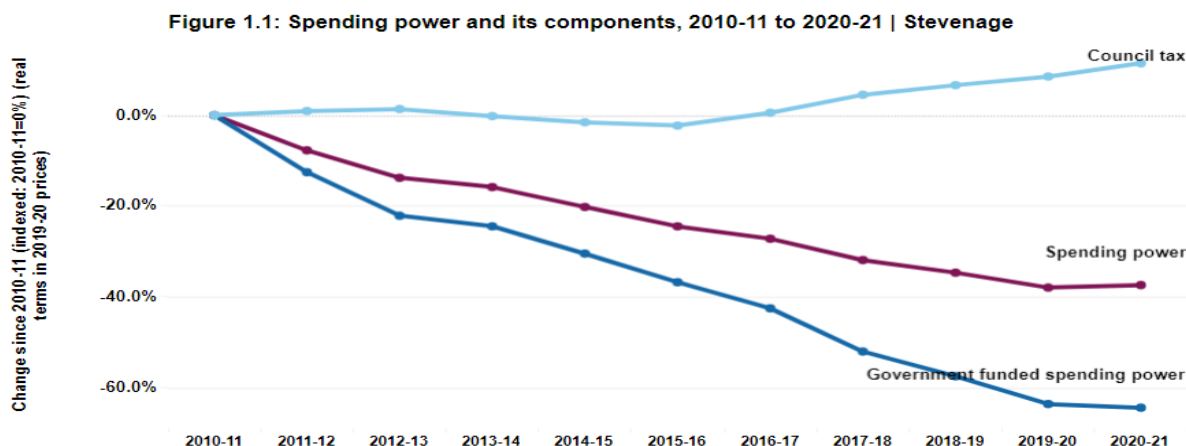
Looking at financial years 2024/25 versus 2010/11 for General Fund services, net expenditure has only increased by £500K in 14 years, largely in response to Government funding reductions. The resultant funding gap has been closed through a reduction in service costs/services as shown in the gap chart below, which in the main have been met from savings. For note, the level of discretionary or community services has reduced from 40% in 2010/11 to 29% of the 2024/25 budgeted spend.

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To illustrate this point further, the National Audit Office (NAO) published data that showed Stevenage's Core Spending Power (CSP) **has reduced by 64.5% in real terms** (2019/20 prices) when comparing 2010/11 to 2020/21, highlighting the funding challenge and the ability to improve/grow services.

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## Transforming Services:

### 1. **Measuring Productivity**

The Council has a comprehensive suite of Key Performance Indicators and Milestones which are reviewed annually and relate to the Council's priorities and key projects. For 2023/24, there was a suite of 35 strategic measures, supported by 64 statutory and local measures which are managed internally and overseen by the Strategic Leadership Team. The 35 strategic measures are presented to the Cabinet, including measures relating to Regulator of Social Housing (RSH) and Future Town Future Council (FTFC) 2023/24 priorities.

In February 2024, the new Corporate Plan – *Making Stevenage Even Better* (MSEB) was approved and now a new set of strategic key performance indicators (KPI) and milestones for 2024/25 aligned with the five MSEB strategic priorities and three cross-cutting themes have been developed.

The KPIs are first reviewed by the Council's Senior Leadership Team (SLT) and then by the Council's Cabinet and Overview and Scrutiny committees. A link to a recent report can be found here [Corporate Performance Report - Q3 2023-24.pdf](https://www.stevenage.gov.uk/corporate-performance-report-q3-2023-24.pdf) ([stevenage.gov.uk](https://www.stevenage.gov.uk))

In addition, specialist benchmarking information has been used, such as Housemark for housing services, and the use of external specialist professional entities such as SOCITIM in reviewing the Council's shared ICT service with East Herts, and Liberata to look at the performance of EHDC and SBC shared Revenues and Benefits service.

The Council approved a Transformation programme in August 2021 and October 2022 [Transformation report.pdf](https://www.stevenage.gov.uk/transformation-report.pdf) ([stevenage.gov.uk](https://www.stevenage.gov.uk)) which seeks to refine the current organisational structure under four main headings:

Resources; Strategy and Commissioning; Service Delivery and Locality Model; and Direct Services.

This has subsequently been developed putting the resident at the centre of the structure to ensure activity is streamlined through digital, process review and positioning of like services together for the Council's 120 different services.

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Transformation improvements to services for 2024/25 include:

- Aligning management responsibilities in line with the approved transformation model, saving £194K (2024/25)
- Changes to how the Council's Customer Services Centre (CSC) operates by providing alternative digital options for customers and co-locating CSC staff with key frontline services and providing self-scan stations, saving the Council £147K (2024/25).
- Aligning Officer and Member support, saving £42K (2024/25)
- Implementing an on-line garage letting system, which has led to a reduction in void garages from 14.15% in September 2022 to 11.07% in December 2023.
- Solar panels on refuse vehicles, saving an estimated £11K per year (2024/25).

The Council has a track record of improving services and previous years' examples include:

- Implementing new technology to manage waste services, reducing customer contact and using in-cab technology to swiftly address missed bins, improving services for customers.
- Implementing shared service models for ICT and Revenues & Benefits with East Herts Council in 2011 (with both councils reducing costs)
- Using a partnership model with seven Hertfordshire authorities to deliver a shared building control company and reducing service costs.
- A range of smaller shared services with other local authority partners: legal shared services, procurement, parking services, audit, fraud investigations, which have either improved performance, reduced costs or increased income.
- Implementing a Housing First Scheme that provides 25 units of short-to medium-term accommodation with wrap-around support to enable rough sleepers to manage their day-to-day life, address any substance misuse or mental health issues they may be experiencing and ultimately gain enough independence and confidence to obtain and sustain permanent and secure housing, relieving pressure on already stretched public services including the Police and the NHS. Since October 2021 when the scheme started, the Council has assisted 25 people to move into permanent and secure housing, either through social housing or within the private rented sector, all of whom are still sustaining their tenancies. Nine clients have returned to their family homes and a further twenty-one have been moved into other supported accommodation.

## 2. **Changes to Improve Services**

In the August 2021 Transformation report, the Executive [Cabinet] approved the development of the Transformation programme to improve customer experience, increase workforce productivity and organisational resilience, while supporting savings required by the Medium-Term Financial Strategy. There are two main drivers for the transformation programme: improving resident / customer satisfaction as well as supporting the Balancing the Budget strategy.

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As stated above, this led to a further report in October 2022 which provided an update on the Future Council 2025 Transformation Programme, including the approval to implement a Five-Star Customer Service programme, which responded to the key principles agreed by the Executive in August 2021.

The programme has already generated total savings of £469K for 2023/24 and 2024/25 financial years and a five-year programme is being finalised to ensure all areas of the Council's activities are reviewed. It is anticipated that for 2025/26, further savings will be generated through digital, structure and process improvements.

The Council is an insourcing council, providing the majority of services directly, and anticipates that there are a number of opportunities in a number of areas. This also includes further commercial options through the Council's Co-operative Commercial Insourcing Strategy ([Co-operative Commercial and Insourcing Strategy 2023 - 2026 \(stevenage.gov.uk\)](#)). The Council has a £1Million General Fund and £500K Housing Revenue Account savings target per annum as a result of reduced central government funding over the last 14 years. The Council's aim is to meet that target through these two initiatives, but this is also dependent on the level of future government funding and inflation levels. The Council's financial forecasts can also be accessed in the MTFs and HRA BP ( MTFs, [30 July 2007 \(stevenage.gov.uk\)](#), HRA BP, [HRA Business Plan report.pdf \(stevenage.gov.uk\)](#)).

### 3. **Transformation Two Year Plan**

Stevenage Borough Council was one of eight councils to be awarded Government Future Council funding, which has supported digital cloud migration, ensuring the resilience of digital data and keeping pace with where software products are marketed. However, this does lead to increased revenue costs as ICT growth converts from capital to revenue.

### 4. **Service Specific Saving Potential**

In terms of specific service opportunities to make savings, areas for consideration are:

- The Council's domestic waste model with the introduction of separate food waste and the work of the county level waste project
- The work of the Locality Review, which is seeking to address how the Council can have an affordable and financially sustainable community asset base while reducing the overall cost to the Council (as opposed to the current fix on fail policy as a result of scarce financial resources).
- Review of Revenues and Benefits with an external partner engaged by East Herts Council and Stevenage Borough Council.
- Optimising the Customer Services Centre and digital online offer
- Piloting new technologies and AI in Planning Services
- Constructure of the new leisure hub, which will reduce the Council's contracted management fee by approximately £1Million.

To be able to support additional transformation of services, moving away from single-year settlements and grant funding programmes and addressing the

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historic underfunding, adding a 'capital transformation' fund would provide capacity to underpin invest to save projects.

## **Assets**

### **5. Opportunities for Capital Expenditure**

In terms of improvements to buildings to improve services, the Council has identified a capital funding gap ([Final Capital Strategy 2024-25 report.pdf \(stevenage.gov.uk\)](#)) which means that capital funding is not available to improve community and operational assets. This has resulted in individual strategies for different asset classes which are being developed during 2024/25, with the potential to save annual revenue costs and ensure that the Council's asset estate is fit for purpose.

As stated above, the Council is currently working on a funding strategy for a new leisure centre (which will potentially unlock a £1 million management fee saving), as well as a plan for a new multi-agency hub which will not only improve the experience for the resident as a one stop shop but also save the Council money in running costs. Both revenue and capital funding are key: the former to allow the capacity to lead on projects to transform services and improve the digital offer and processes; the latter to provide a better resident experience and unlock further cost savings for the Council.

## **Securing Economic Growth**

Stevenage Borough Council has taken a number of proactive approaches to capital investment as a stimulus to regeneration of the town centre and fostering a life science cluster - cell and gene therapies – that is High Potential Opportunity Zone and the third largest cluster in the world. The Council's Investment Prospectus indicates potential for 15,000 new jobs in the local economy, generating £1.2bn per year by 2040 with a return of investment of £10 generated for the UK economy for every pound spent by the Government.

The Council has a strong track record in securing growth and international investment. This has included investing in a project to regenerate part of Queensway in the heart of Stevenage town centre, creating 8 new offices, 110 apartments and ground floor retail replacing a derelict M&S store. This investment has had a catalytic effect, with a new £85m life science facility (Autolus Therapeutics) built on land previously owned by the Council, creating 400 jobs for the UK economy and for Stevenage being chosen over a USA location – a case study cited as best practice by the Harrington Review: <https://www.gov.uk/government/publications/the-harrington-review-of-foreign-direct-investment>. In addition, this has led to a further adjacent site being acquired for a £350m life sciences mixed use regeneration scheme, creating 1,800 jobs for the local economy. The Council and local partners are working to bring forward the regeneration of the town centre, delivering a new bus interchange, event space, and bringing back into a use a 1960s shopping parade into a new 'Co Space' facility which caters for 300 jobs and is 100% let. This programme is well supported through the Towns Fund, leveraging investment into walking and cycling, a new leisure centre, and improvements to the local retail environment.

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With a development partnership in place with Mace for 1,800 homes, there is potential for a transformation of Stevenage town centre that creates a vibrant centre, many new homes for local people, a high quality environment and increased jobs. One capital funding opportunity to unlock this transformational impact would be to forward fund the delivery of a new community hub, providing a museum, library and cultural offer, health facilities and civic space – replacing five older and end of life facilities and releasing land for 1,800 homes. Further potential options include bringing forward regeneration around Stevenage railway station, with substantial capacity for development and just 19 mins travel time from the centre of London.

### **Technology**

For the Council's ICT, additional funding would allow transformation of technology infrastructure by migrating systems and data to the cloud. This move would allow a saving on-premises costs associated with maintaining physical servers and infrastructure. Embracing cloud technology could enhance scalability, improve accessibility, and streamline our overall IT operations. However, alongside that funding would need to be transitional funding to absorb any additional capital to revenue cost for moving to the cloud and additional staffing resource to implement.

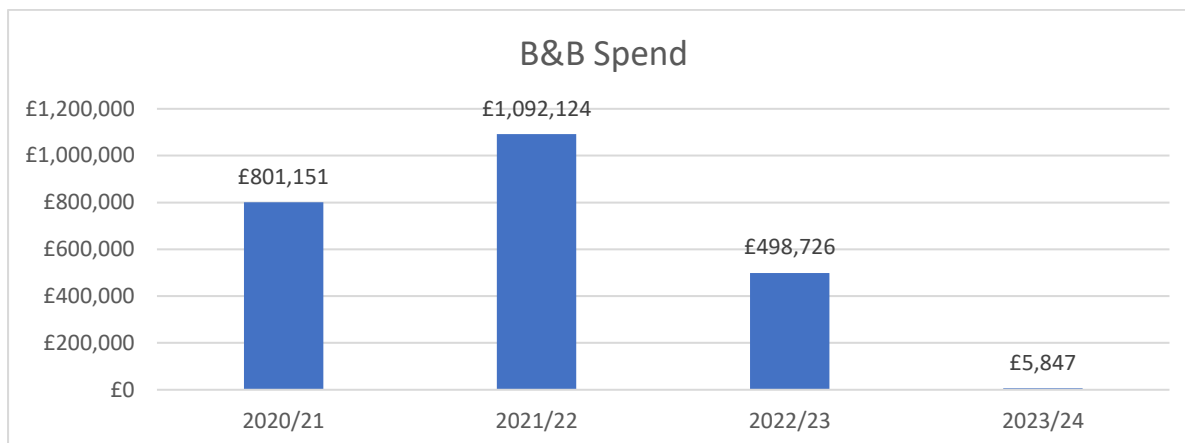
### **6. Preventative Approaches**

The Transformation programme has targeted high volume transactional areas to identify failure of demand, together with opportunities to reduce the need to contact the Council and provide different channels to give a 24/7 service that is expected by residents (examples of this are digitalisation of garage lettings and new complaints system).

- In quarter four 23/24, the Council website averaged 5,798 page views per day – including weekends.
- Digital self-service for customers to report missed bins is end-to-end, communicating with the collection scheduling system and mobile technology in waste freighters. This means customer requests for collection of bins flagged as contaminated or not put out for collection are automatically prevented, which has helped reduce the number of missed bin collections by 15% comparing the three years before and after its introduction in 2020, and 63% of missed bin reports were made online in 2023.
- New automated telephony answered 37% of customer queries in Quarter four 23/24 for key services through use of recorded FAQs and sending links to online self-service by text message (Revs and Bens, Waste & Recycling, Environmental Services).

The Council has also taken action to reduce the cost of homelessness and bed and breakfast costs by interventions such as Housing First and building modular units to accommodate people, such as at Oaks Cross, and the purchase of other accommodation (172 units to date) which has seen bed and breakfast costs reduce from a high of £1million in 2021/22 to just £5.8K in 2023/24. (This does not include housing benefit not recoverable by the Council because B&B rents exceed the Local Housing Allowance claimable by the Council.)

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The Council provides a range of upstream preventative services, such as the 'No More' service that works with partners to offer support and guidance to help people reduce their substance misuse and offending. The team supports people by putting together practical solutions to tackle issues that are perceived to be exacerbating their drug or alcohol use or offending, including the causes and consequences of their substance use.

The Council's Survivors Against Domestic Abuse (SADA) is a service that provides advice, guidance and support to individuals and their families who are or have experienced domestic abuse. SADA also manages refuge provision and over 30 dispersed refuge provisions for victims and survivors who need to access safe accommodation. These safe spaces are used as suitable interim accommodations which can alleviate the strain on services such as housing, the Police, primary and acute health care services and social services. SADA collaborates with other services to provide wrap around support to victims and survivors within the community. This includes providing training sessions to partners including, but not limited to, policing services, local schools, family support teams and housing teams to raise awareness and ensure a streamlined approach to support victims of domestic abuse. In 2023-2024, SADA delivered training to 480 colleagues internally and externally.

### 7. **Potential Wider Locally Led Reforms**

Partnership working is an integral part of the service. Delivering services to support vulnerable clients is something that is shared across number of public agencies. Better coordination and joint commission between these agencies would seem to suggest there is scope for increased productivity and improved service user outcomes.

Stevenage Borough Council has worked with Adult Social Care colleagues at Hertfordshire County Council (HCC) to design new older persons accommodation and other supported housing services so that everyone can benefit from the economies of scale in procuring new construction projects and more efficient long-term management costs. The end result is that the service user benefits by receiving their service in a purpose built and new building that can meet their needs, but also the service they receive can be more financially resilient as it minimises duplication or waste. For example, the Kenilworth scheme was built to



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a volume of 88 units so that it can meet demand across a range of older person support needs from independent living to extra care, which is a responsibility the HCC share. At a level of 88 units, the scheme's service charges, and facility costs are spread over a larger number of users and this therefore leads to a more affordable charging regime and the opportunity to procure additional services.

## **Skills and Growth**

Stevenage Borough Council has worked closely with North Herts College, the Local Enterprise Partnership, education providers and businesses to build a skills framework – securing funding from Mission 44, UKPSF, Community Renewal Funding – to target skills and training opportunities from construction, to life sciences, to entry to the work place and with superb results. With an anticipated 15,000 jobs coming to the local economy, having strong skills and development programmes are vital to attract international businesses, and providing opportunities for local people to enter work or progress their careers. With a GVA impact of £1.2bn pa possible, investment into a location that can provide opportunities to the local community and wider economic benefit to the UK is a real priority.

## **2. How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.**

1. What are your existing plans to improve the quality of the data you collect; how do you use it and how do you make it available to residents?
2. Are there particular barriers from legacy systems?
3. How often do you share data with other organisations, and do you find this useful?
4. Are there opportunities to use new technology to improve workflows and systems, such as predictive analytics and AI?

### **Take Advantage of Technology:**

#### **1. Existing Data Quality Plans**

The Council has recently committed as part the Shared Service to invest in enlarging the ICT team to ensure that the Council has a clear plan about the replacement of systems and infrastructure.

In addition, the Council has invested in a digital team to ensure that access to services are digitalised to improve access to data, so signing up for a Council Tax account allows a resident to receive correspondence by email and also see all previous communication on line. The Council's Cabinet also endorses co-production of ideas and services with residents to ensure that they are fit for purpose.

As mentioned under Transforming Services, the Council has the suite of Key Performance Indicators and Milestones, which are monitored via the Council's InPhase system and reported quarterly to the Cabinet (which is livestreamed)

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and available to residents on the Council's website. All measures are RAG rated against agreed targets, explanations given where targets are not met. The Council is introducing new performance measures for 2024/25, some of which will be benchmarked for the current year and which also reflect new Government requirements such as OFLOG, so residents can see how the Council is performing against those measures.

A high-level assessment of the Council's data maturity has been undertaken across the organisation which is helping to inform the development of a new data strategy. As well as some issues particular to certain services, several common themes for improvement are emerging including: the need to boost data analysis skills, consolidate and modernise reporting tools, and the need to prioritise data quality.

There are areas of strength, for example, where data collection is linked to statutory or regulatory returns, for example in planning, environmental health, or waste. The teams in these services regularly use the data to help inform business insight and decision making. The robustness of the data provided is evident when seeking additional data assurance through the Council-wide KPI data quality review cycle. The Council's focus on the importance of data integrity, alongside a desire by services to prioritise data-led decision making, has shown how data can be used meaningfully to drive improvements for residents e.g. as seen in the Council's approach to effective resolution of housing complaints as part of the recently established Complaints Clinics.

In 2024/25, the Council will be undertaking a number of activities to help expand on its approach to data-led decision-making, this includes:

- Improved performance monitoring through the introduction of an InPhase dashboard (to include KPIS, Milestones, Risk mitigations, and Governance actions per Business Unit)
- Inclusion of a Best Value 'Continuous Improvement' enhancement action in the Annual Government Statement 2024/25, to build on existing good practice including:
- a review of the Council's approach to coordination of Government Single Data List returns to ensure that there is a central log of comparative data for key services
- an assessment of all existing business insight tools to enhance the Council's existing approach to using data to inform decision-making
- inclusion of the OFLOG District Council Metrics to the Council's Performance Management System (InPhase) in 2024/25 for quarterly monitoring and review by the Senior Leadership Team (SLT)
- A new Data Strategy
- A revised Performance Guide for Staff

## 2. **Legacy System Barriers**

The rationale for investing in ICT is because both SBC and EHDC utilise a considerable number of systems and require the capacity to ensure these systems are being used optimally. However there are barriers to changing software providers as this requires significant service input, capacity alongside

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the ability to fund the increased burden of moving to the cloud on revenue budgets. Often significant systems will require a long lead in time and there may be parts of the year when it is not possible to implement change, for instance for a finance system during setting annual budgets or completing year end process. The Council has identified that it is difficult to merge multiple data sets from different legacy systems due to the lack of support for reporting systems like Power BI. The biggest challenge is that these systems are not integrated with one another and have limited reporting capabilities. As a result, we are unable to use tools such as Power BI to create more insightful and interactive reports and dashboards.

### 3. **Cross Organisation Data Sharing**

The Council shares data where data sharing agreements are in place and GDPR legislation has been met. In line with the Council's new data strategy, there is a plan to share more data with other organisations in a more efficient manner. To achieve this, the Council intends to start using common platforms and standards for sharing data, thereby enabling the combination and analyse of data from different sources. This, in turn, will help gain a more comprehensive understanding of operations and performance. Some examples of where data is shared are given below:

- The Council has a shared Internal Audit Service and shared Anti Fraud service with other Hertfordshire councils, both hosted by Herts County Council. Sharing data for both these services means joint learning and the ability to prevent fraudulent behaviour, protecting the public purse.
- Stevenage Borough Council has also been one of the eight pilot authorities awarded Future Councils digital funding, which required regular reporting and learning from other councils in the pilot.
- The Council also shares data with the Police/emergency services via the SoSafe Partnership, a strategic partnership working to reduce crime and offending, in which the Council works with others to tackle crime such as domestic abuse and those associated with drugs and alcohol differently, supporting residents with many (and sometimes complex) needs whilst at the same time introducing new ways of working and initiatives. The Council's domestic abuse service also provides the facility for a number of Hertfordshire and Cambridge authorities.

### 4. **Opportunities to Adopt New Technology**

The Council is continually horizon scanning and builds the use of new technology directly into its transformation plans to ensure that it is embedded in service improvements.

A number of potential use cases for AI have been identified and are at different stages of development. The first live use of AI has been to transcribe customer feedback recorded over the phone, which previously had to be transcribed by hand. This means feedback is now typically available within minutes rather than days or sometimes weeks.

The Council's Planning department is also working with other Hertfordshire authorities to use AI for a 'validation pilot', currently being trialled by St Albans Council.

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Two chatbots using generative AI based on ChatGPT technology to resolve customer queries relating to housing repairs and to damp and mould issues are currently in test. This testing has identified a number of strengths to the technology, and at the same time some of the potential pitfalls. If these can be overcome then there appears to be enormous opportunity to revolutionise our customers' experience of our website through use of AI, with an initial goal of triaging queries with answers to common questions and signposting to existing digital services. At a later stage of development, it might be possible for the AI itself to collect the information needed from chatting to the customer for process workflows, enabling customers to achieve their entire transactions with the AI. Some of the technologies becoming available could enable this AI powered self-service to also be provided through other channels such as WhatsApp messages or by voice over the phone (VOIP), increasing access for our customers and reducing concerns about digital exclusion.

Cases are currently being scoped for the use of AI to improve staff efficiency and process effectiveness within our Customer Services. This includes LLM-based sentiment analysis to identify common themes causing customers or staff to become stressed, worried or aggressive. This information will assist in identifying areas for improvement; for example, if the name of a particular contractor is associated with more complex calls then it will highlight a service for more detailed investigations to be carried out. Another key opportunity is the use of AI to pre-fetch knowledgebase articles to Customer Service Advisors based on what the customer is requesting, not replacing human work or decision making, but simply making quicker.

### **3. Your plans to reduce wasteful spend within your organisation and systems.**

**We will share the aim to reduce waste wherever we can and, while you have all made huge strides in recent years, no organisation is ever 100% efficient. You should set out your plans to reduce wasteful or "gold-plated" spend.**

1. How do you approach identifying and reducing waste in the organisation? How do you monitor progress?
2. Where have you followed invest to save and what was the result?
3. How much time and money do you spend on staff EDI training (internal and external), networks, and other programmes? How many EDI Champions do you have as an organisation? How do you log and report the time and money spent on EDI related activity? How do you assess the effectiveness of that training?
4. What percentage of total staff budget is spent on a) agency and b) consultants? How do you assess value for money on agency & consultancy spend and what are your plans to reduce use / costs? How many of those consultants or agency staff have been in place for over a year?
5. What governance structures do you use to ensure accountability of spend?

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6. Do you share office functions with other councils and if so, how useful do you find this?
7. If you share external training costs with neighbouring councils, how do you factor out duplications of service between your council and your upper-tier council (if you have one)?
8. If you have one, what is your assessment and experience. of working with an elected mayor, combined authority, or devolution deal?
9. What proportion of your paybill is spent on trade union facility time?

## PLANS TO REDUCE WASTEFUL SPEND· WITHIN YOUR ORGANISATION AND SYSTEMS

### 1. **Approach to Identifying and Reducing Waste**

Since 2010/11, the Council has had to find significant savings (circa £15.2million). This could not have been achieved without significant reductions in service spend and has meant that budgets that are not required for operational spend are removed to contribute to the Balancing the Budget savings targets. In addition, there are 'star chamber' reviews of services spend to identify further opportunities to save. The financial position of the Council and spend against budget is also reported on a quarterly basis to Members and there is also a cross party group which looks at savings and growth that officers recommend. The four strands of the Council's balancing the budget priority are summarised in the illustration below.



### 2. **Invest to Save Results**

The Council has a policy of invest to save and recent examples are:

- A Commercial Team to drive through the Commercial and Insourcing Strategy and deliver new income streams; 2024/25 commercial savings totalled £335K (on-going).
- A Transformation Team to drive improvements to services through digital and process improvements; 2024/25 transformation savings totalled £424K (on-going).

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- The Housing Development Team are delivering new housing, and re-modelling stock not fit for purpose, and taking steps to ensure that schemes more economically viable. Especially when compared to buying open market acquisitions (OMAs) which often require improvements and cost more. For example, an OMA will cost on average £340K for an existing build or £550K for a new build, versus direct delivery at an average cost of £230K plus the re-provision of new local facilities. This SBC model of delivering social, affordable and private sector housing addresses the housing shortages in the Town, delivering 137 homes this year as well as providing high quality tenure-blind housing.
- Other examples include relocating a plant nursery requiring a £40K one off investment to commercially let a depot site for £125K, one off investment of £18K in solar panels on refuse vehicles to reduce fuel consumption by £11K per year on-going, 2024/25 digital remembrance book one off investment of £2K saving £4.8K per year on-going.

### 3. **Staff EDI Training Costs**

In the last 12 months, the Council has delivered in-house, approximately 250 hours of EDI training to staff. Additionally, staff have access to complete a Diversity and Inclusion Induction eLearning module. This has been facilitated by one external speaker talk on the specialist subject of supporting those with Autistic Spectrum Disorder in the work place, at a cost of £1,500.

The Council has 15 equalities champions who meet as a group for approximately 30 minutes per month.

Evaluation is in a survey format using MS Forms immediately after courses, followed by a three month questionnaire around how the learning has been embedded and what learning has done for the team. The annual staff pulse survey undertaken via MS Forms also gauged staff attitude to ED & I, and the outputs from this are used to update the course.

- The Worker Protection (Amendment of Equality Act 2010) Act 2023 - Act creates a duty on employers to 'take reasonable steps' to prevent sexual harassment

During 2023 and 2024 there have been a number of changes to equalities legislation impacting the workplace so there is a need to keep employees and managers up to date with these changes. This is achieved through in-house training and the champions networks noted above.

#### Changes to the Equality Act 2010

- The Worker Protection (Amendment of Equality Act 2010) Act 2023 - Act creates a duty on employers to 'take reasonable steps' to prevent sexual harassment.

#### Changes to other related legislation

- Protection from Redundancy Family Leave Act

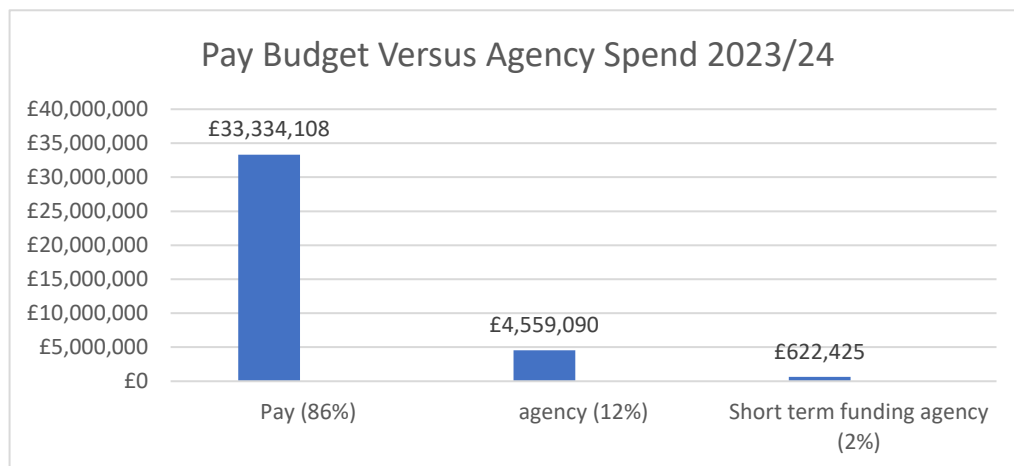
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- Flexible working regulations
- Carer's Leave Act
- Neonatal Care (Leave and Pay) Act

## 4. **Agency & Consultancy Spending**

There is a national workforce shortage, which also is prevalent for Local Government as the sector struggles to recruit planners, accountants and surveyors to name but a few and to supplement the frontline operation services to cover sickness and bank holiday working. The use of agency staffing has become part of the toolkit to ensure that the Council has sufficiently staffed workforce to provide vital services to residents. However, the Council has taken a number of measures to reduce the reliance on agency workers and these include:

- Implementing apprentice/graduate posts in hard to recruit areas;
- Reviewing job descriptions and advertising methods to ensure they can attract good quality candidates;
- Restructuring services to meet the recruitment challenge;
- Procuring an agency framework agreement to ensure value for money when employing agency staff;
- Applying procurement rules for those needing to recruit outside the agency framework;
- Monitoring and reporting to Senior Leadership Team and Members the number of agency staff in post for longer than 12 weeks;
- Renewing the Workforce Strategy in 2024/25.



However, the use of agency is driven in some areas due the announcement of annual-only funding such as homeless grant, which means often short-term roles are not attractive and have to be supplemented with agency staff. In addition, one-off funding means that agency staff need to be recruited as opposed to full time or fixed term staff.

The Council also has retained most services in-house such as refuse, recycling, grounds maintenance and street cleansing, and agency staff are used when sickness, holiday and weekend working require additional workforce levels.

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## 5. **Financial Governance**

The Council has a robust financial reporting mechanism, reporting quarterly on revenue and capital and, in addition, as part of the two budget setting reports and the Medium Term Financial Strategy (MTFS), underspends and pressures are reported to ensure the Cabinet is kept informed. This will be in addition to significant initiatives that require a separate report.

The Cabinet has an amount delegated to it to approve, above which needs to be reported to Council. Each monitoring report updates the Cabinet as to the cumulative amount approved. The Council's Senior Leadership Team also receive KPIs on key spend areas on a bi-monthly basis.

## 6. **Shared Office Functions**

The Council has shared its offices during the last few years with back office police staff, CAB and (for a temporary period) the County Council. This has reduced the Council's overall accommodation costs and the Council is planning to build a multi-partner hub including County Council services and the NHS to provide a one stop shop for residents.

## 7. **Shared External Training Costs**

The Council's eLearning system has been procured via Hertfordshire County Council to save costs. The system supplier allows different authorities drawing down from the same contract and to have access to different catalogues. Therefore, a Borough Council does not have to pay for access to the social care or education training and the County Council does not pay for access to the housing catalogue.

## 8. **Elected Mayors, Combined Authorities & Devolution Deals**

Stevenage Borough Council does not have experience of working with an elected mayor, combined authority, or devolution deal. However, the Council does sit on the Hertfordshire Growth Board, which is a collaborative initiative aimed at managing sustainable growth for residents, communities and businesses. The composition of the Board is Hertfordshire County Council, the 10 District and Borough Councils, Hertfordshire Local Enterprise Partnership (LEP): a public-private partnership focused on economic development and growth. The purpose of the Board is to address the challenges posed by population growth in Hertfordshire. By 2043, the county's population is expected to increase by approximately 38,550 people, leading to increased demands for housing, healthcare, schools, and transportation. The HGB aims to balance these demands with responsible and sustainable growth. This enabled a prospectus for Hertfordshire to be developed to promote the County and attract inward investment and all councils in Hertfordshire participate. [For more information, visit the official Hertfordshire Growth Board website.](#)

## 9. **Trade Union Facility Time**

In the last 12 months, trade union representatives have undertaken 86 occurrence of facilities times totalling 262 hours. All trade union colleagues



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are paid on a different rate of pay, so it is difficult to accurately estimate the cost of these hours to the Council, but the mean average earnings for all colleagues across the Council is £18.86 per hour and therefore an estimated cost of £4,941 per annum.

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

**There will be barriers preventing you from going as far or as fast as you would like to. I would like your plans to set those out, so that we can understand how government, or the market, can help you overcome these barriers to go even further.**

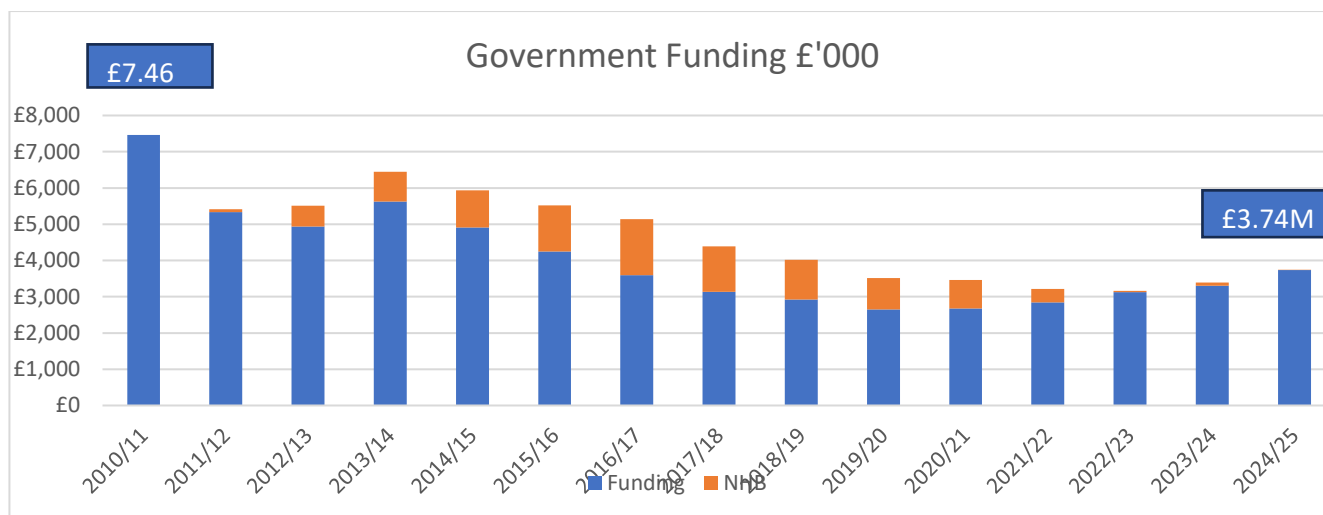
1. What are the barriers preventing you from improving productivity further within your organisation?
2. What are the barriers preventing you from improving services further?
3. Are these barriers consistent across multiple services?
4. What would you need to remove those barriers? What do you need from government, the market or elsewhere?

### **THE BARRIERS PREVENTING PROGRESS THAT THE GOVERNMENT CAN HELP TO REDUCE OR REMOVE**

1. ***Barriers to Improving Productivity***

The fundamental problem for councils that inhibits progress in reforming at a faster rate is the issue of funding. Comparing 2010/11 to 2024/25, the Council has £3.7Million less funding and has had to absorb inflationary pressures of circa £7.4Million and deal with a population increase of circa 10% over the period. Locally set taxes such as Council Tax equate to only an average of £239.26 per household (Band D property) to deliver all those services and a 3% increase in Council Tax does not even address inflationary pressures. This means there is an annual urgency to balance the books while still making improvements to services which, if not achieved means a cessation or, at best, reduction. In the last few years, the Council has ceased its community transport and play services and reduced sports development, all services which are likely to reduce the burden on other agencies such as the upper tier LA or the NHS but are funded at a district level.

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\*adjusted for Council Tax Support Scheme in 2010/11 for comparability between 2010/11 and 2024/25

## 2&3. **Barriers to Improving Services & Barrier Consistency**

Taking into account the points above, the Council is dealing with 10% more residents with less funding and fewer staff. This means the Council's ability to make change is severely limited, and staff capacity is a key risk on the Council's risk register - a challenge that has not been recognised in the funding settlement. The Council does fund a Transformation Team at circa £500K per year (GF £300K, HRA £200K) but due to budget constraints it would struggle to increase resources beyond this. Furthermore, the Transformation Team cannot implement change in isolation and needs input from other teams to support change.

It is imperative that the Government urgently addresses the underlying structural problem in relation to local government funding to prevent more councils from going bust and make good on the promise to reform how funding is allocated. This is not helped by ongoing challenges in recruiting / retaining staff within a sector that is receiving ongoing national press coverage concerning budget cuts. If councils do not receive 'fair funding', the Government and residents will need to be more realistic about what can be achieved within the available resource envelope, and accept that public services will continue to worsen over time. There is a real challenge in the overall size of the funding made available to Councils by Government, highlighted at c£6bn by the Local Government Association. This is made more challenging through the uncertainty of single-year funding cycles, and multiple, grant-based competitive bidding rounds.

## 4. **Requirements to Remove Barriers**

There is some spend which the Council is required to budget for but which adds little or no value. Under IFRS, the Council pays £27K to value assets for the balance sheet, which relate to assets such as leisure centres and offices and adds no value to the reader or Council. This also increases the level of potential audit fees for the Council: the 2019/20 tariff fee was £49K versus the £149K paid to the auditors for additional work including relating to valuations.

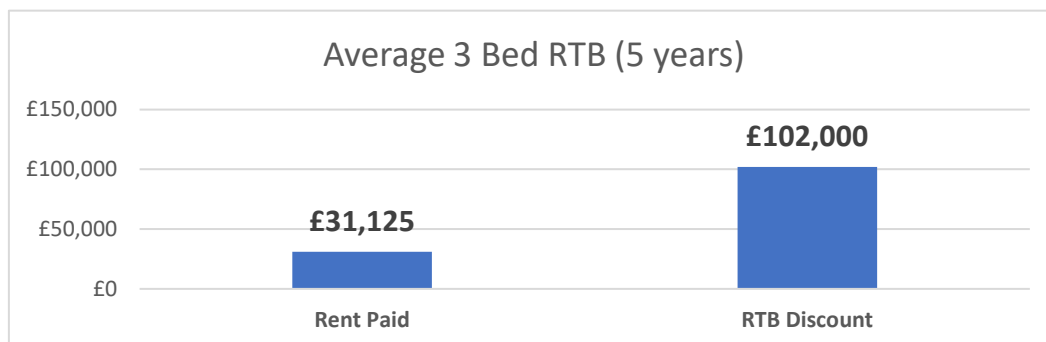
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Councils have had opportunities to increase revenue income such as investment in commercial income completely curtailed based on a small handful of councils that have invested large amounts of money. Councils should be able to make local decisions on investing in their employment area to improve economic viability.

The margin between gilts and PWLB borrowing is preferential for housing but shows no discount other than the certainty rate for other transformative capital spend. The Government should provide cheaper borrowing for this type of spend.

The basis for the self-financing HRA deal in 2012 and the payment to the Government was based on a completely different housing playing field, which has seen RTB discounts significantly increase, as have sales, and the Government's rent policy has meant over £225Million rent lost in the HRA Business Plan. With increased regulation comes higher costs, however writing off the Treasury self-financing debt would allow a significant increase to the ability to build more housing to meet the Government's objective to provide more affordable housing.

Taking the points above, the Government should consider the review of RTB discounts. In 2012, a discount was c.£34K; it is now in excess of £100K. In 2023/24, an average 3 bedroom sale price was £303K. RTB policy should allow the Council to be able to replace sold properties, which is not possible on a one for one basis. The chart below shows the difference between (in today's money) five years rent versus the eligible discount for 2024/25 - a difference of £71K, and this does not account for the cost of any management and maintenance received by the tenant during that period.



The Government should allow local authorities to set the level of Council Tax at a local level. The maximum Council Tax level permitted before a required referendum generated just £297K additional income for the Council versus a total of 2024/25 £2.1Million inflationary and cost pressures. Included in those inflationary pressures is the cost of the living wage which, while the Council welcomes the introduction of the measure by government, it notes that it is also not a funded burden and has impacted on the national pay scales, resulting in 2022/23 and 2023/24 pay awards, on average exceeding 5%.

## **STEVENAGE BOROUGH COUNCIL PRODUCTIVITY PLAN 2024-25**

Single year finance settlements make setting a balance budget extremely difficult with the resources at a council level only published two months before the Council sets the budget for the following year in February. This also does not aid forward planning over the medium term. The Government should publish multi- year settlements to allow Councils to plan better for any potential funding gap.