

APPENDIX I-Teignbridge Council's Productivity Plan July 2024

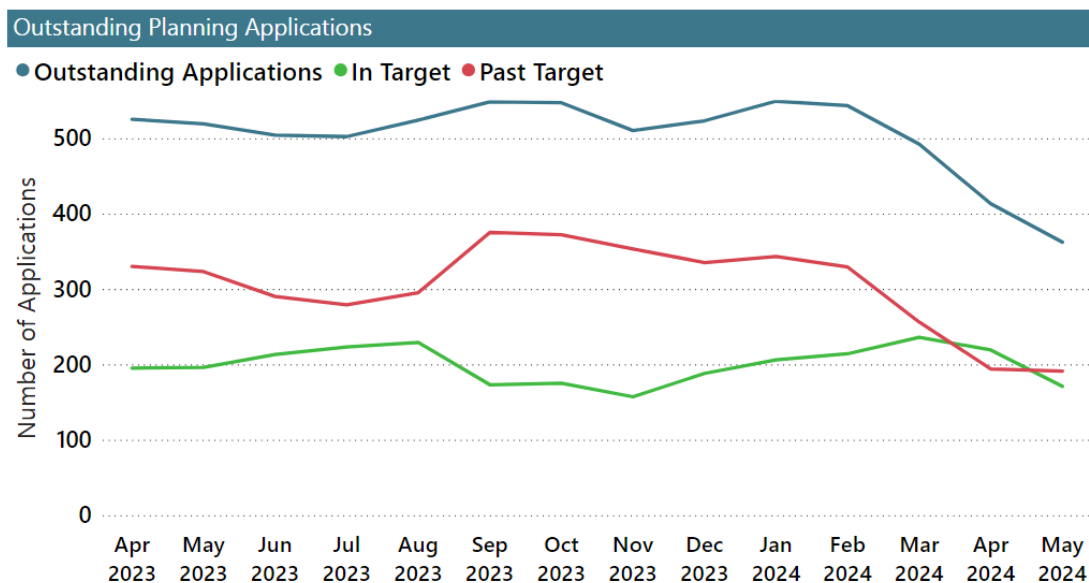
Introduction & Context - Our approach to productivity, strategic planning & assurance

Teignbridge is a district of 260 square miles, within South Devon and the Dartmoor National Park. It comprises of coastal resorts, market towns and rural countryside with a population of 134,800. The Council's net revenue budget in 2023/24 was £17.6M. Our challenges include an ageing population, low median income, and high house price to earnings ratios with a lack of affordable homes. We have ongoing budget deficits which need addressing year on year including a projected gap of over £4 million in 2026/27.

Our Local Plan is currently under review and has been submitted to the Planning Inspectorate with public hearings later this year. The current Council Strategy ([Strategies, policies and performance - The Council Strategy 2020 - 2030 - Teignbridge District Council](#)) runs until 2030, however this is also under review, with public /partner consultation happening over the summer ([Issue - items at meetings - Council Strategy Review - Teignbridge District Council](#)). The Council Strategy sets out the priorities and performance management framework for the Council. These are currently homes, jobs, and climate change. Performance against the Council Strategy is monitored through annual business plans and performance monitoring reports to Overview and Scrutiny ([Q4 OS Performance Report 2022-23.pdf \(teignbridge.gov.uk\)](#)), with the emphasis on those projects and performance indicators that are at risk and off track. Progress against the Council Plan is monitored through the Council's corporate and risk management performance system (SPAR). Managers monitor performance through a suite of Power BI dashboards linked to a data warehouse, supported by bespoke and scheduled reporting from service specific digital systems and data from Ignite, CIPFA and LGA Inform are used to benchmark cost and productivity across the Council.

Assurance is provided through our internal audit programme, reporting to Audit Scrutiny Committee, the Overview and Scrutiny work programme which includes overview of the Medium Term Financial Plan, our external auditors report ([Auditors Annual Report template - combined reporting for 20-21 and 21-22 \(teignbridge.gov.uk\)](#)) and annual statement of accounts ([Statement of accounts - Teignbridge District Council](#)). The most recent annual report by the external auditors stated that the Councils approach to budget setting was reasonable, we use performance information appropriately and ensure underlying data is accurate, and our partnership arrangements are sound. Our last audited annual governance statement can be found at the end of our [Statement of Accounts](#) (pages 121 to 129). In 2024 we also undertook a Corporate Peer challenge (CPC) and have developed with Members and partners an action plan to implement the recommendations. The CPC concluded that

Councillors and Officers are committed to delivering the best possible services for local people ([LGA Corporate Peer Review: Teignbridge District Council | Local Government Association](#)). We have also commissioned two separate pieces of work undertaken by the Centre for Governance and Scrutiny in 2021 and 2023 to assist us in improving our governance framework and decision making. We also recognised that our Development Management service was underperforming and undertook an independent review from the Planning Advisory Service (PAS). We have subsequently implemented their recommendations and seen a significant improvement in planning performance.



How have we transformed the way we design and deliver services to make better use of resources?

Over several years, the Council has been proactive in redesigning its services to improve efficiency, improve outcomes for customers and ensure the Council provides value for money to its residents.

We have several shared service partnerships that enable us to share both expertise and resources with other Councils, reducing our centralised costs and enabling us to benefit from economies of scale. These include the Devon Building Control Partnership which we operate on behalf of 3 Councils, Strata Service Solutions (an IT and digital Teckal company owned by 3 Councils), and our Community Safety Partnership, which is also across 3 Councils. The Devon Building Control Partnership have kept the non-chargeable costs to the Councils in recent years at or below a 3% increase and the average ratio of the chargeable/non-chargeable income split since 2017/18 has been 83:17. Strata has delivered £1.6M worth of

savings back to the Council over the last 9 years. We have several posts that are externally funded by our partners (e.g. a housing enabling officer is externally funded through a levy charged to our registered providers for each affordable property delivered) which improve our capacity to deliver at no net cost to the Council, and we make use of external funding opportunities whenever they meet with our corporate objectives. One example of this has been successful applications to the Public Sector Decarbonisation Scheme, enabling us to establish a portfolio of heat decarbonisation projects covering the Authority's most energy intensive buildings. We have completed projects at our main Forde House offices and the Teignmouth Lido, one project is in construction at Newton Abbot Leisure Centre, and a further project is in the tender stages at Broadmeadow Sports Centre. The latest data covering 2023/24 shows that our Forde House project is performing well with no net-increase in electricity consumption following the replacement of gas-fired boilers with heat pumps, building fabric efficiency measures, IT measures, and solar PV, yielding a carbon saving of 137 tonnes CO₂. This project, combined with our mobile and hybrid working arrangements have enabled us to also create lettable space within the Forde House office building, providing a positive income stream. Part of this space has been let to the DWP, improving services for our residents, and we are seeking another public sector tenant for the remaining available space. As part of our overall regeneration strategy we have invested in the town centre, which not only provides a benefit to residents and businesses by improving the offer in the High Street, but provided an average net income of £614,000 per annum between 2015/16 and 2022/23. Working in partnership with the Land Trust through the South-East Devon Habitat Regulations Partnership (SED HRP) we acquired the land for the Dawlish Countryside Park and Ridgetop Park at Matford. Without the Habitat Partnership, the two SANGS we have delivered would still have been required at a total cost of ~£9m. Instead, Teignbridge has contributed £2m. The partnership has devised and implemented a joint strategy, agreeing an area wide approach to SANGS delivery with Natural England and achieved significant economies of scale and efficiencies (compared with providing authority-specific SANGS). Our collaborative approach also helped to draw in approximately £4.5M through the Housing Infrastructure Fund.

All capital projects must have a robust a business case and are approved through the Capital Review Group or the Council's Investment Board. All capital projects must deliver a minimum 1% return even where projects are for social benefit (e.g. T100 affordable housing programme).

Since 2020 we have used a business planning process, informed by benchmarking with other Councils, to generate savings across the organisation, with individual service areas delivering a set savings target against their budget. Through investment in a digital platform

for customers and redesigning our processes we saved over £100k per annum, reducing our staff costs and improving access to services for customers with just under 48,000 customers now registered for an online account and 89% rating our online processes 4 or 5 star. We are building on this work moving forward and continue our invest to save approach, continually making payments to reduce our pension deficit, and creating invest to save reserves to manage our transformation programme.

How we intend to reduce wasteful spend moving forward

In 2021 we recognised a significant deficit in our Medium-Term Financial Plan (£2.6M) and appointed Ignite as consultants to assist in developing a new operating model for the authority. The Ignite review consisted of two parts: a strategic alignment review and development of a blueprint for a new target operating model. To complete the review and develop a new operating model Ignite looked at the people, processes, customers, technology, performance, and governance of the organisation. Through benchmarking the Council's spend, it was recognised that the Council has lower than average discretionary spend which impacts on our ability to make savings. The findings of Ignite have been translated into the Council's Modern 25 Programme which aims to deliver £776k of staff savings alongside some challenging strategic projects (delivering £1.7M savings). This is supported by investment in technology to enable the Council to work efficiently, make best use of data and improve the customer experience.

The Modern 25 programme delivered savings of £476k in 22/23 and a further circa £600k in 23/24 (final figure to be confirmed on closure of year end accounts). These savings have been generated by realising opportunities to reduce or remove discretionary budgets and increase income, for example by reducing staffing costs at the Leisure Centres, increasing income from green spaces, and charging for the provision of waste containers at new housing developments. A significant amount of the remaining savings target is dependent upon reviewing and improving the Council's Asset Strategy to enable us to both optimise and reduce our asset portfolio, and ensure it is aligned with our strategic objectives moving forward. The first stage of this has been a data cleansing exercise to ensure we have a complete picture of our assets, a review of the processes undertaken in the Assets team and development of an Asset policy, strategy and plan which has been approved by members this month. Other projects underway include recharging for some services (pest control and residential caravan licensing), reviewing fees and charges and re-appraising our discretionary business rates relief scheme. To release the staff efficiencies and implement the new operating model we have recently approved a senior management restructure and

are reviewing approximately 350 processes across the Council to understand where efficiencies can be gained (either by remodelling the process, using technology more effectively, or removing waste), and engaging in customer centred design to align our service delivery to customers' needs. We know that to deliver our new model we will need to invest capital in technology and digital solutions, and we have developed a technology delivery plan as part of Modern 25. This has now been translated into [Strata's Business Plan for 24/25](#). The Modern 25 programme reports to a Programme Board with member representation and to the O&S MTFP Task and Finish Group.

Historically the Councils in Devon have worked collaboratively to deliver investment to the area and produce efficiencies for its residents. We are a partner Council in the proposed devolution deal for Devon and Torbay which was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024: [Devon and Torbay devolution deal](#). We anticipate the Devon and Torbay CCA will enable greater collaboration and efficiencies in the following areas once fully established:

- economic development and regeneration functions
- adult education and skills functions
- housing supply, regeneration and placemaking functions; and
- transport

With regards to the specific spend in areas stated in the Ministers letter please see below:

1. Our percentage of total staff budget spent on agency staff was less than 4% and mainly to cover our refuse and recycling service. Spend on consultants is around 3% when compared to our total staff budget, however the majority of these costs relate to one off spends on capital schemes funded from approved capital budgets and grants received or other revenue budgets in 23/24.
2. The proportion of the pay bill spent on trade union facility time in 23/24 is not recorded but is a very small proportion of a staff members time so insignificant.
3. The amount of time and money spent on staff EDI training (internal and external), networks, and other programmes in 23/24 was £3570. The Council has self-assessed itself against the LGA Equalities Framework and has an action plan to implement the areas of improvement found through the self-assessment.

In addition to the governance framework responsible for monitoring finances and performance noted throughout this document the Council also completes an annual residents budget survey ([Budget survey findings support council priorities - Teignbridge District](#)

[Council](#)), annual staff survey and has Investors in People status, all of which provide indicators of productivity.

How we plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources

As previously stated, we completed a technical review of our digital systems to support the development and implementation of our Modern 25 Transformation programme. Customer data was used to inform the development of the programme targeting those services with high customer demand. Since this technical review we have sought to capitalise on the return on investment on the digital systems we have within the Council. We have implemented SharePoint and Microsoft 365 and are currently developing our data strategy with the two other Strata Councils. This is supported by staff training and developing a digital skills framework. We have undertaken a review of our asset management system and the data we hold within it to ensure it is robust, and that any gaps in data are identified and rectified to inform our savings plan moving forward, and we have introduced automated gate access at our leisure centres to reduce staff costs. We are currently in the process of implementing a new Finance system, replacing our very outdated inhouse-built Finance Systems, and we have developed a data warehouse where back-office system data can be extracted and then utilised through Power BI to provide robust real time performance reports by service area to report progress on the Council Plan. We have a digital platform for customers with 78,000 transactions each year and just under 48,000 users. Data quality assurance is provided through our internal audit reports, data quality policy and exception reporting from systems, supported by data champions within the organisation. We have also recently commissioned an external consultant to look at the Council's security governance and are in the process of implementing improvements identified from this review, including a new suite of ICT policies.

We are nevertheless hampered by legacy systems, lack of ability to attract skilled digital staff due to competition from the private sector and high licensing costs for software. Specifically in relation to legacy systems, the Council's highest cost digital system is the Revenues and Benefits system, where there is a limited market (only three suppliers) and the platform on which it is built is outdated and lacks the functionality and integrations required by a modern Council. We were fortunate over the last 4 years to have been awarded Local Digital Funding to work with five other Councils to develop an alternative open-source system for Revenue and Benefits, however we were disappointed to find out that there will be no further support for this project. Due to the lack of suppliers in the market there is no competition and

the costs of even minor changes required to the system are significant. The recent changes to the DWP Memorandum of Understanding have resulted in an increase of £30k per annum plus 20% annual costs alone with no new burdens funding being provided. The license costs for Microsoft 365 are complex and whilst we are exploring how best to use the automation this can provide to improve efficiency again this will be at a significant cost to the Council, and we will only be able to deploy it where there is a significant business case to do so.

Barriers to preventing progress

The most significant barrier for us currently is the annual funding settlements and the consequent inability to plan with any certainty around our income streams and Medium-Term Financial Plan. The lack of clarity on the future of New Homes Bonus and business rates retention, combined with 1-year financial settlements mean we cannot plan for the medium to long term. Delays in addressing the funding reset for local authorities has hindered any progress and the funding provided to us and other local authorities in the South West per head of population continues to be below other areas of the country and needs addressing.

Other barriers which government could address are.

- Short term funding for new initiatives such as the three welfare support schemes with changing criteria and UK Shared prosperity funds. As a result we were unable to recruit short term staff, and had to absorb the work within existing resources to set up systems and resource a plethora of financial and performance returns all of which took away from other frontline services.
- Administrative and financial returns. More generally we have a significant administrative burden with regards to returns to government and we have no evidence the information submitted is used to inform future initiatives nor do we receive any feedback on information provided. Other administrative requirements on local authorities such as Freedom of Information requests put a burden on the Council which needs resourcing with little direct benefit to residents.
- Increased responsibilities without funding being provided e.g., serious violence duty falling on local authorities to implement but funding going to the Police and Crime Commissioners Office
- Restrictions on fees and charges e.g. planning
- Reducing barriers to income generation e.g. ANPR in Council owned car parks, Council tax referendum

- The current issues with the end of year financial reporting regime and external auditing situation, resulting in end of year accounts being completed to deadline but auditing not being completed.
- Negotiation on more favourable rates for software licensing and challenging legacy system issues