

West Suffolk Council – Productivity Plan July 2024

Introduction

This statement has been produced following the guidance as issued by the Minister for Local Government to local authority chief executives on 16 April 2024.

Context

West Suffolk Council is a rural district council in Suffolk, where there is a two-tier system of local government across the county. The council was formed in 2019, as the successor to St Edmundsbury Borough Council and Forest Heath District Council, following a full-shared service arrangement from 2013. The council is now the eighth largest district in England by population.

At West Suffolk Council, we measure our productivity in range of ways including our performance and risk management frameworks and governance arrangements. To support our commitment to transparency, involvement and innovation we publish various data on our [Open data and transparency](#) page.

Shared services and the creation of West Suffolk Council

([A single district council for West Suffolk - Business case](#))

Becoming a single council in 2019 enabled us to retain the £4 million annual savings generated by sharing services since 2013, alongside creating capacity through efficiencies, service re-designs and political focus. But beyond that it has given further and greater financial resilience and enabled a stronger focus on delivering for our communities.

More specifically, the creation of West Suffolk Council has:

- enabled an additional £1 million in annual savings, safeguarding our financial position and allowing us to continue to invest in services, in spite of reductions in Government grant, inflationary pressures and increasing demand due to the cost-of-living crisis
- strengthened both officer and member leadership, through a single, larger organisation, with clear democratic accountability, enabling us to drive forward an ambitious investment agenda
- led to a future vision and strategy that has been clear and coherent, through our single strategic plans, medium term financial strategies, and our first draft Local Plan for West Suffolk
- enabled us to exercise strategic leadership over a larger area, entering into wider partnerships to work towards greater public sector integration
- given us a louder voice through our lobbying.

Financial management

West Suffolk Council has a strong track record in robust financial management which has meant it has continued to deliver high quality services as well as meeting the strategic vision of the authority. This is despite a series of challenges that all UK authorities continue to face.

We have continued with annual year-on-year savings and income generation, alongside the £5 million in annual savings from the shared services and creation of a single council. In addition, £1 million will be made in savings or new local income over the next two years (2024 to 2026), on top of the £1 million already achieved last year to make the council as efficient as possible.

Our Medium Term Financial Strategy

West Suffolk Council's response to the financial challenges and opportunities follow our six key themes. Our opportunities include capturing and building on the learning and innovative ways of delivering our services, experienced during this time.

1. Aligning resources to the West Suffolk strategic priorities and the delivery of essential services
2. Sharing services and innovation in service delivery
3. Behaving commercially, delivering a return to our communities
4. Considering new funding models
5. Supporting online access to council services
6. Taking advantage of new forms of local government finance.

Capital investment and borrowing plans

West Suffolk plans to invest over £110 million in our current 5 year capital programme (£131 million over 10 years), supporting our day to day services, assets and priorities. The council will continue to invest in initiatives that generate income, savings, efficiencies and/or wider benefits for residents and businesses in West Suffolk. Business cases for investment are assessed on the basis of external borrowing to ensure that financial provision is established up front, making sure external debt can be serviced (through the appropriate repayment and interest provisions) and is prudent and affordable before capital decisions are taken.

A number of our capital investment plans create income generating assets for West Suffolk and its communities for years to come. The level of borrowing to support these investments and their outcomes to West Suffolk residents and businesses is considered to be proportionate and affordable.

Savings plans

In 2022 we undertook an authority-wide resource optimisation exercise, specifically asking all service areas to evaluate the time and effort spent on individual tasks and to evaluate whether:

- resources are focused on the top priorities of the business
- there was potential for savings, by identifying which work could be slipped, reduced, deferred, or stopped, with minimum adverse impact on outcomes
- productivity gains could be delivered, by optimising deployment and utilisation of resources
- there were critical capabilities which were essential for successful business delivery.

This exercise created the first pipeline of work for our Change and Service Improvement (CSI) Programme. This programme is designed to be continuous with the aim of working across the organisation with the focus on the Target Operating Model.

The council is facing cumulative budget gaps in the medium term linked in the main to assumed reductions in Government funding. Plans are in place to make savings of £1 million across 2024 to 2026, through our Change and Service Improvement Programme and Behaving Commercially theme through fees and charges reviews and maximising the return on our assets.

Performance management

We monitor and report performance in a number of ways, for example, annual reports, annual environmental statements, Infrastructure Funding Statements, key performance indicators, financial performance information, transparency data, benchmarking, news releases, and project reporting. This approach, and links to the relevant reports, are summarised on our [performance management](#) webpage.

At the heart of our performance management approach are our performance dashboards. These collate data on key performance indicators (KPIs) from across the council's service areas and report them to Leadership Team on a monthly basis (in a longer format) and to Portfolio Holders and Performance and Audit Scrutiny Committee (in a shorter format) on a quarterly basis.

Budget monitoring and financial decision making

West Suffolk has a range of mechanisms in place to ensure its decision making is robust and transparent. The Finance Team work on a business partner model, whereby each director and service manager is assigned a finance business partner who offers advice and monitoring information about their budget(s). The Resources and Property Portfolio Holder is briefed monthly on a formal basis about the state of the budget, as well as in between by exception. Quarterly reports are then made to all portfolio holders and in turn to [Performance and Audit Scrutiny Committee](#).

Risk management

West Suffolk's approach to monitoring and managing risk is set out in our [Risk Management Toolkit](#). As well as the processes in place to identify and manage risks within services, the council has a [Strategic Risk Register](#), which is regularly reviewed and updated by the officer-led Strategic Risk Group, before being reported to

Leadership Team on a monthly basis and Performance and Audit Scrutiny Committee on a quarterly basis.

Governance

The basic elements of the council's governance arrangements are described in the Code of Corporate Governance ([West Suffolk Local Code of Corporate Governance](#)) and reported on annually in our Annual Governance Statements ([West Suffolk Annual Governance Statement](#)) contained in our annual statement of accounts.

Wider partnership and system working

Within West Suffolk, the council provides leadership, convening and facilitation across a wide range of areas. Within the public sector, the West Suffolk One Public Estate programme has enabled significant progress in rationalising the public sector estate and integrating services, for example, at West Suffolk House, West Suffolk Operational Hub and Mildenhall Hub.

There is a strong track record of system-wide working across the public sector in Suffolk, with cross-system groups such as Suffolk Public Sector Leaders (overseeing a Suffolk business rates pool), the Suffolk Waste Partnership, Collaborative Communities Board and others. West Suffolk is a joint funder for the Suffolk Office of Data and Analytics (SODA) which has provided a continuous evidence base for the wider system through publicly available data, information and intelligence since 2016.

Achieving outcomes through joint working with health partners such as the West Suffolk Alliance (attended by the council's chief executive), West Suffolk Integrated Care Board and Integrated Care Academy in West Suffolk has been a significant element of the council's local leadership in recent years. It has enabled impactful joint projects to be brought forward, for example, social prescribing, personalised healthcare pilots for homeless individuals and leisure centre refurbishments that integrate health facilities into local centres and has created the conditions to deliver integrated health and leisure pathways.

West Suffolk also works beyond its boundaries through partnerships with Cambridgeshire (West Suffolk is in the Cambridge Sub-region Housing Market Area); Essex (through Suffolk and North East Essex Integrated Care Board); and Norfolk (as part of the transition from New Anglia Local Enterprise Partnership and Brecks Fen Edge and Rivers Landscape Partnership Scheme)

Barriers preventing progress that Government can help remove or reduce

The most significant central barrier to local productivity is single-year finance settlements and lack of transparency of that settlement. An example of this lack of transparency is the circa £8 million per year shortfall, across precepting authorities in West Suffolk, arising from the exemption from Council Tax of the 11,000 US visiting forces personnel in West Suffolk. Without transparency and a clear indication about funding for multiple years, councils cannot effectively plan and deploy their resources.

We strongly support much closer policy co-design between central government and local councils. Policies that affect councils without engaging the sector as fully and as

early as could be the case result in initiatives and funds that are more complicated than necessary, that are difficult and, in some cases costly, for councils to implement.

We would also benefit from much greater flexibility for our council (and all councils) to decide how to raise and spend money locally. Central prescription and ringfencing constrain our ability to allocate our resources effectively.

We incur unnecessary spending and waste valuable officer time complying with rules, requirements, restrictions and processes imposed by central government and regulators. These include:

- the number of specific, formula-based revenue grants and their separate reporting requirements – it would be much simpler and more efficient to roll all specific grants into a single provision in the Finance Settlement
- the wide range of separate one-off revenue and capital grant pots with onerous, costly and counter-productive bidding processes
- complicated, inconsistent, and misaligned processes for submitting data returns to central government
- lack of join-up between central government departments on issues including housing, homelessness prevention and asylum dispersal
- numerous statutory requirements to place notices in newspapers or issue written copies of routine notices
- the excessive amount of information that is required in annual accounts or has to be published under the transparency code
- statutory overrides such as the requirement to value assets for accounts every year
- regulatory bodies seeking 'to the letter' compliance with their statutory codes
- we are bound by the Department of Work and Pensions memorandum of understanding (DWP MOU) regarding the sharing of DWP and HMRC data for any purposes. With a wealth of data including vulnerability indicators at our fingertips the MOU restricts the sharing of data to just a few very specific uses with prior written agreement. We support DWP's request to government for a less restrictive approach to data sharing in the future
- the council's statutory role in providing a standards function for town and parish councils can have a significant impact on the productivity of its legal officers, diverting them from core business and delaying other council activities. A different system for overseeing standards and ensuring accountability for local councils could be considered, along with other ways to unlock the full potential of this crucial first tier of local government
- a narrow understanding of what a council's reserves levels means about its financial position, and a lack of appreciation for how many reserves are held in response to prudent financial planning and the risks around the current local government finance system.