

Context

The recent Local Government Finance Settlement stated that all Councils are required to produce productivity plans to help Government understand what is already working well across the whole country, what the common themes are and whether there are any gaps and what more the Government needs to do to unlock future opportunities.

The Plan needs to cover specific themes, as set out in this document, and is expected to be three to four pages in length.

The Council

We are one of eight Devon districts with the largest population of 150,800 residents growing at more than twice the national average. Our population is the 3rd oldest average of any district with the contrast to the west of the district with over 60% of the population being of working age. The area is rural with a mix of market and coastal towns, renowned for its beautiful countryside with two thirds designated as National Landscape and almost the entire coastline being part of a World Heritage Coast.

The recently adopted Council Plan has four priority areas – A supported and engaged community (with the need to support the provision of affordable housing), carbon neutrality and ecological recovery, a resilient economy that supports local business and financially secure and improving quality services.

Continuous Improvement – challenging ourselves

We are keen to ensure we challenge ourselves and continually improve, in February 2024 at our request the Local Government Association undertook a Corporate Peer Challenge (CPC) of the Council, this forms a key part of the improvement and assurance framework for local government. We set out our context for the review in the [CPC Position Statement](#) and the CPC concluded we are an ambitious Council that is keen to make a positive difference to residents' lives and the environment in East Devon, the [CPC feedback report](#) overall was extremely positive. Further we requested external reviews from the [Centre for Governance and Scrutiny](#), the [Planning Advisory Service](#), and [Investors in People](#), again all of which were positive and included recommendations for further improvement, all positively accepted with implementation being monitored by Council.

Productivity Theme One – How have we transformed the way we design and deliver services to make better use of resources.

The necessity to find savings is captured in the Council's [Financial Plan 2024-2034](#) which includes our Financial Sustainability Model (FSM) outlining key enablers to help us deliver savings/increase income. The enablers being:

- ✓Systems Thinking (Vanguard) ✓Digital Transformation ✓Customer Access
- ✓Performance Management Data ✓Asset Management ✓Income Maximisation

In the past we have utilised systems thinking (Vanguard) to design our services around the customer, driving out inefficiencies and generating cost reduction. Service reviews have started again, adopting our own principles in line with systems thinking but

reflecting that the organisation has changed, with more emphasis on assurance and a focus on internal monitoring and corporate awareness. Our corporate contact centre and revenues team have started a review bringing in the Transformation Enablers listed in Theme Two below which links with the FSM model and is intended to be rolled out across the Council.

We have successfully worked with other Council's to create savings, provided resilience, and gained additional expertise through shared IT provision (saving on average over £300k a year), Internal Audit (£100k a year), Procurement (£35k a year), Engineering (£20k a year). We are now looking to explore revenue collection and waste and recycling.

We have plans on income generation where we offer valued services to the public who choose us as their provider such as telecare services or where we offer valued discretionary services we are looking for public donations or to charge to help retain them. This includes the necessity to introduce toilet charges to retain and invest in this discretionary service.

We have recently realigned services to provide clarity of purpose and alignment with corporate priorities with clear ownership and responsibility for service performance.

We have invested in economic growth and the sustainability of existing business in the district, providing staff to support businesses with various initiatives and grants to encourage green growth for example. We have used our Enterprise Zone designation to invest, including spending £5m on the purchase of land to aid a new town centre and business development that had faltered. We have invested in significant infrastructure such as a key road enhancement beyond that expected of a district council to facilitate economic growth and prosperity, funding being returned through retained business rates achieved through growth. **The rebasing of business rates is a significant risk to this Council, we need to retain the growth achieved to ensure these investments remain viable.**

On average we have had to find new savings in the order of £700k every year, this is on a net budget of currently £19m, easy wins disappeared a long time ago.

[Productivity Theme Two – How do you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources](#)

In partnership with two other local authorities, we have created a successful local authority IT Company (Strata Services Solutions) to deliver IT resilience, financial savings and to aid transformation. The [2024/25 adopted business plan](#), defines the transformational enablers that will be delivered to achieve financial savings required by the Medium Term Financial Plan and links to the Council's digital and customer access strategy (as referenced in the FSM), aligned to its partner authorities through Strata.

Transformational enablers

- End user computing – Enabling users to work natively on their Windows laptop utilising Microsoft applications.
- Contact centre and telephony – Replacing existing technology alongside work on the Web and CRM Enablers to modernise and streamline the customer-facing elements of our business.
- CRM and forms – To enhance customer experience and reduce administration and cost.

- Enterprise middleware architecture – Essential development in the communication between CRM and the many back-office systems we have.
- SharePoint – Document storage, retrieval and collaboration are key requirements to deliver our digital goals.
- Bookings – Many of our activities require the booking of an asset, particular around income generation and currently no system exists.
- Notifications – most transactions require a notification whether within the council or to our customers, this needs to be developed to allow staff to embed these into processes to create efficiencies and a better service.
- Power Platform – Utilising Microsoft products to achieve efficiencies through workflow, data analysis or the building of chatbots.
- Data and data warehouse – Key enabler to deliver most outcomes.
- Web content and chatbots – To deliver improvements in website content and chatbots (including AI-powered) for improved service and to gain efficiencies.

Efficiencies to be achieved through AI runs through the Business Plan. For example, we are currently exploring Copilot that could have immediate benefits.

Savings totals have not been allocated to the delivery of these enablers, but as a broad indicator we will look to deliver £100k - £200k in 2025/26 which will continue annually.

Productivity Theme Three - Your plans to reduce wasteful spend within your organisation and systems

Key areas raised under this heading have been covered in Theme One, to add the CPC report concluded EDDC has an excellent financial track record and has successfully managed the General Fund budget, without recourse to use of reserves. The council has developed a Financial Sustainability Model (FSM) which is a process that undertakes reviews to ensure value for money, drives efficiencies to see what savings can be achieved and forms an evidence base that the council has done what it can.

Questions under this theme did raise specific points to address that the Government is interested in and have not been covered elsewhere:

- *Time and money spent on equality, diversity and Inclusion (EDI)* – The council has recently appointed a part time (0.6FTE) Equality, Diversity and Inclusion Advisor as Council and the recent LGA Peer Challenge identified a need for increased focus on this area. The role will review and update policy, ensure that robust impact assessments are taking place in line with the Equality Duty and undertake member and officer training. Salary costs for this role (including oncosts) are £30k per annum. No additional budget has been set aside for training or other activity. It is considered this will also help with our recruitment and retention of staff.
- *Percentage of staff budget spent on agency and consultants* – Reports have been presented to our Scrutiny Committee to monitor this spend and reasons for engagement and consideration of best value. Latest report [consultancy spend report](#).
- *What proportion of your pay bill is spent on trade union facility time* – We do not fund any dedicated trade union officers, we allow employees who are trade union officers of our local UNISON Branch to carry out trade union duties in work time to support employee engagement and relations. Due to recent personnel changes in

the local UNISON Branch, we are in the process of obtaining up to date information on time spent by these employees on trade union facility time but we anticipate that this will continue to be a minimal part of their overall role with the council.

Productivity Theme Four– The barriers preventing progress that the Government can help to reduce or remove

The Council spends in discretionary areas that bring proven health and wellbeing benefits to our residents through sports, leisure, parks and gardens and countryside provision, including linking with General Practitioner referrals. The Council receives no direct contribution or funding which puts services at risk with the current resources available – Government needs to think of this as a whole system cost and provide councils with funding which reduces overall public expenditure.

The Council is affected by the challenges in accessing affordable housing locally. The Council's temporary accommodation costs have grown exponentially and are projected to be over £500,000 for this financial year. Extra funding from Government is needed to meet these ever-increasing costs and to alleviate the issue long term by providing direct grants to fully fund house building. An issue this Council has lobbied for many years is the ability to retain and use all Right to Buy Receipts from Council Houses sales at the discretion of the Council, but more importantly to end the Right to Buy scheme leaving more properties available for social housing.

A stable financial environment for local government is needed – in the immediate future we need, by early summer, details of the finance settlement for 2025/26 and 2026/27. It would be helpful if this included:

- Addressing the future of the New Homes Bonus scheme,
- The timing for the business rates baseline reset, or better the clarification this will not happen, or if it does, the transitional arrangements for those authorities likely to be severely affected,
- Indicative council tax referendum principles,
- The continuation of current funding streams such as the rural services delivery grant, and the continuation of a Funding Guarantee of at least 4%.

This will enable us to put together a Financial Plan for consideration by Members in September 2024. Our longer term ask of the Government would be to have a multi-year finance settlement, so that the Council can plan strategically for at least the next 3 financial years. The Council would also like to see the following changes made by Central Government, to help Council drive further efficiencies:

- Councils should be able to set their own level of planning fees, so the service is not a cost the council tax payer.
- There should be no council tax referendum limits and local democracy and elected members should be able to determine the local levels of taxation.
- End competitive bids for funding.
- Take away outdated practices; need for council committees to meet in person replaced by virtual meetings and public notices to published in the local press replaced by online. Also, the excessive details required in annual accounts and transparency code.