

Productivity Plan Submission to the Department for Levelling Up, Housing and Communities July 2024

Contributors

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The Productivity Plan is based on up-to-date Council documentation including the Corporate Plan 2022 – 2027, Medium Term Financial Plan and Cabinet reports.

1. Transformation of services to make better use of resources

Worcestershire County Council’s main goal is for people to feel that Worcestershire is a fantastic place in which to live and work and making that a reality. An essential part of what the council does is to listen to residents – communities, service users and businesses – and act upon what they say is important to them.

Priorities in the Councils corporate plan are informed by significant resident engagement, including a well-established [Resident Viewpoint](#) survey which regularly receives around 2000 responses.

[Our Plan for Worcestershire | Worcestershire County Council](#)

1.1 Financial Context

In 2024/25 the council’s net budget is £425m on day to day services. 56% will be spent on adult and children’s social care and the remainder on other services. The budget for 2024/25 which was approved by Council in February 2024 incorporates investments of £52m which will cover activity expected to reduce future demand for children’s and adult’s social care as well as resolving significant underlying service pressures which will continue to require funding in 2024/25. In Adults and Children's Social Care and Home to School Transport this equates to £35m which is termed as a structural deficit. The budget also identifies new savings of £37.2m and an additional £2.3m use of reserves.

The council has a strong track record of delivering planned savings. New savings totalling £28.2m were built into directorate budgets in 2023/24 and 78% of these were achieved during the year. As set out in the Financial Strategy, a financial indicator tracks forecast delivery during the year. Any savings not achieved are required to be followed up in the next financial year or alternative savings found. The Medium Term Financial Strategy (MTFS) approved by Council in February 2024 has a deficit of £25.4 from 2025/26. Whilst the amount of funding from Government and that which can be raised from Council Tax for 2025/26 and beyond has not been announced, action needs to be taken to ensure that it is possible to set a balanced budget in future years.

1.2 Staffing and Structural Revisions:

In recent years, Worcestershire County Council has focused on becoming more agile and financially self-sufficient. This has entailed a strategic shift towards redesigning and optimising our staffing structures, and enhancing our operational models. The council has increasingly moved towards integrating digital solutions, which has allowed for more flexible working arrangements and a reduction in physical footprint. This approach not only aligns with contemporary working trends but also contributes significantly to cost savings and operational efficiency and effectiveness. The Council developed a set of design principles to support delivery of our operating model, as outlined in [appendix 9](#) of the February 2024 Cabinet report.

1.3 Operational Models:

The early adoption and continuation of flexible and mobile working arrangements has been pivotal. By exploring co-locating opportunities (internal and external) with community partners, and maximising utilisation of our estate the council not only generated income and reduced overheads but also improved service delivery for our customers. As at the end of the 2023/24 financial year, the council employed nearly 2,700 full-time equivalent staff, and by leveraging technology, we have enhanced our capability to manage and deploy these resources more effectively.

1.4 Measurement of Productivity

Productivity within the council is measured through a combination of financial metrics and service delivery outcomes. Key performance indicators (KPIs) include budget adherence, service delivery times, resident satisfaction levels, and digital engagement metrics. These indicators help track the efficiency of service provision and the effectiveness of our interventions across various council services.

1.5 Service Improvements and Their Effects

Recent Improvements	Effects
We have made significant investments in digital infrastructure, which is a cornerstone of our service improvement strategy. For instance, our shift to digital platforms has streamlined interactions with residents, enhancing accessibility and speeding up response times. This transition not only improves customer satisfaction but also reduces the cost of service delivery.	Digital transformation across the Council has led to more than 80% of our interactions with residents that are done via cost effective, digital methods including online self-service, apps, self-service switchboard, and cover services such as blue badges and concessionary travel passes.
The Income and Debt Team continues to effectively modernise our processes with significant improvements to phone payments and online payment methods. The introduction of online direct debits is supporting the move to automated transactions.	The team has collected over £12m of debt in 2023/24 and reduced long term debt (over 90 days) by c£4m.
The Consumer Relations Unit has implemented a new Representation Management System which was developed in house and is delivering significant improvements for the team and services that respond to complaints. The improved and integrated customer centric online form ensures more information is captured at the point of submission and assessments of representations can be made	Increased efficiency and productivity for the CRU through: <ul style="list-style-type: none"> • avoidance of double handling information / data • use of pre-defined email templates for communication with the complainant • services have direct access to the system, streamlining the process for investigating and responding

<p>more quickly. Service Area staff can directly submit representations into the RMS via a staff facing form.</p>	<ul style="list-style-type: none"> • automatic reminders and SLA count downs to ensure targets for initial acknowledgments of complaints and responses within the statutory timescales are achieved
<p>The IT Service Desk has continued to invest in the development of the myIT Portal to further improve the customer experience and increase the volume of tickets raised via the portal. We have also developed our myIT Chatbot to help customers triage their query or issue which will signpost the customer to the relevant guide, information, or catalogue item such that the customer can self-serve.</p>	<p>Reduction in the volume of telephone calls to the IT Service Desk by approx. 10%. Automatic routing of IT Tickets to the appropriate team resulting in an increase in first time fix rate. Improvement in user satisfaction of the IT Customer Experience as evidenced by SOCITM survey.</p>
<p>Premier Supplier Payments system (Oxygen Finance). Currently kicking off implementation of an accelerated payments system (live Autumn 2024). Suppliers can have their invoices paid ahead of contractual payment terms in exchange for a pre-agreed rebate. The rebate is applied dynamically as the invoice is paid and is proportionate to how many days your payment is accelerated by.</p>	<p>Stronger supplier relationships, recognising earlier payments could support supplier growth and development. Supplier has the option to be paid earlier than contracted terms. Enables the Council to improve payments processes and generate savings</p>

1.6 Future Transformation Plans

Next Two Years	Potential Savings
<p>The focus for the upcoming years is to further enhance our digital capabilities and explore advanced analytics to predict service demand more accurately. This will involve deploying AI and machine learning techniques to refine our resource allocation processes. The effectiveness of these changes will be measured through improved service delivery metrics and reduced operational costs. We will also continue to review our structures and operating models as part of a process of continuous organisation review and improvement, ensuring efficiency and effective performance are maintained, and service delivery models are adapted to organisation and resident's needs.</p>	<p>Looking ahead, our adult social care and children's services, which collectively consume about 56% of our net budget, hold the greatest potential for further savings.</p> <p>Opportunity for further review of our Home to School and SEND transport arrangement across the whole life of the process to identify efficiencies and improvements, to achieve savings however without policy changes this will not fully address the increase in demand and costs.</p>

1.7 Role of Capital Spending

Capital spending has been instrumental in transforming service delivery. A recent example is the development of the Worcestershire Parkway Station, which has improved regional connectivity, supporting both economic growth and accessibility. Future capital investments will focus on further enhancing digital infrastructure and sustainable transport solutions, aiming to unlock new growth opportunities and support our environmental goals.

Finance have delivered its third year of Financial Awareness training to budget managers and officers across the council, and launched a new module which focuses on the capital programme funding, profiling and reporting. This increases understanding of the implications of capital and its inter-relationship with the revenue

account. Along with a strengthened Capital Board, streamlining and consistent capital reporting there has been considerable focus on a more reflective profile of capital expenditure which has helped to support the in-year financial position.

1.8 Preventative Approaches and Quantifying Value

Our shift towards preventative measures, particularly in health and social care, involves early intervention programs that have proven cost-effective.

1.9 Wider Locally Led Reforms

Worcestershire is committed to locally led reforms that enhance sustainability and resilience. The 'One Worcestershire' approach fosters collaboration across public, private, and voluntary sectors, optimising resource use and service delivery. This holistic strategy not only improves service quality but also ensures that our interventions are sustainable and community focused.

2. Opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design

The Council has supported the increased use of Power BI to report and share intelligence with residents, officers and elected members improving public transparency through digital platforms. Power BI is being used to phase out historic static reports and drive more efficient use of the Council's data. Corporate performance, risk and scrutiny reports are now all delivered via Power BI (see [Our Performance](#)), along with thematic reports relating to resident engagement and the economic summary.

The Council is currently developing its own performance and risk management system, exploiting both skills in development in our low code platform, and enhanced reporting capability via Power BI. This allows the council to create completely bespoke risk and performance management approaches which are agile to changes and new requirements. The resulting data allows to Council to present a single view of performance and risk with KPIs and risks stored once and used many times across multiple reports. Regular monitoring of this service delivery data enables identification of areas for improvement and implementation of targeted interventions. This data also assists in forecasting demand for services to support resource allocation, creating interventions that are data-driven and focused on measurable outcomes.

Legacy systems (and specifically the facility to centrally manage data within) is a barrier to better use of data. Master data management approaches and even effective data warehousing would (probably) be prerequisites for predictive analytics but are likely to be prohibitively expensive in the current climate.

2.1 Data Sharing Practices

Worcestershire County Council actively shares data with other public sector organisations, including local NHS trusts, educational institutions, and neighbouring councils. This collaboration enables us to coordinate services more effectively; avoid duplication of efforts; and enhance service delivery through combined insights.

The County Council is an active partner in the local Integrated Care Board (ICB), helping to shape data sharing arrangements for the use of joint health and social care data to create system-wide insight.

2.2 Utilising Advanced Technologies

The council is exploring the use of predictive analytics and artificial intelligence (AI) to improve service planning and delivery. Initiatives include:

- Insights – ContrOCC: new business intelligence tool which enables users to interrogate the financial data stored within ContrOCC and draw relevant insights. The tool offers the potential to automate certain business monitoring process.
- Exploring the use of Copilot to improve work-related productivity. To boost productivity through the automation of repetitive tasks, such as writing repetitive emails, summarising documents, meetings etc. Copilot in Power BI could help using the transformational power of generative AI to get the most from your data. There is a per user license cost.

2.3 Future Plans and Metrics for Success

We have developed a Digital, Data and Technology Strategy that sets out our ambition for the use of technology and innovation over the next three years.

Our Digital transformation programme aims to increase digitisation and begin discovery of technology integration to improve our customer service and ‘front door’ accessibility. This aims to provide customers with a more accessible, aligned, and coherent experience when they contact the council, with a clear feedback loop to continually improve the experience across all services.

We will track the success of these initiatives through specific metrics such as service delivery times, cost savings, user satisfaction scores, and environmental impact measures. Regular audits and public reports will help maintain transparency and accountability in our progress.

3 Reducing wasteful spend within the organisation and systems

Worcestershire County Council is committed to operating efficiently and effectively, ensuring that taxpayers' money is spent wisely and sustainably. Reducing wasteful spend within our organisation and systems is a strategic priority, aligned with our overarching goal of delivering value for money across all our services.

3.1 Identifying and Reducing Waste

The Council employs a robust approach to identify and reduce waste by conducting regular audits and performance reviews across all departments. Our strategy includes:

- Lean Process Workshops: These are designed to identify inefficiencies and redundancies in our workflows. By mapping out processes, we can pinpoint areas where resources are wasted and rectify them. Over several years the council have made investments in Lean 6 Sigma training across several support services with an aim to drive service efficiencies and drive greater effectiveness through removal of waste from processes and systems.
- Performance Metrics: Each department is required to report regularly on specific efficiency metrics, such as cost per service delivery, turnaround times, and resource utilisation rates.

Progress in waste reduction is monitored through quarterly performance reports reviewed by the council's management and audit committees. We utilise a digital dashboard that provides real-time data on key performance indicators, enabling us to swiftly address any areas not meeting our efficiency targets.

3.2 Staff EDI Training and Effectiveness

Equality, Diversity, and Inclusion (EDI) are central to our organisational values. Annually, we invest approximately £100,000 in EDI training, covering both internal workshops and external courses. We currently have 30 EDI Champions who play a pivotal role in promoting these values throughout the council. Investments in EDI-related activities are tracked through our centralised financial system, which categorises expenses by type and department. Effectiveness is assessed through staff surveys and feedback, as well as monitoring the

diversity of our workforce and leadership positions. We feel our current measures and approaches ensure compliance with the Equalities Act.

3.3 Agency and Consultant Spend

Agency and consultancy costs represent approximately 7% of the total Council pay bill and has remained at this level in recent years despite reducing establishment size. The council critically assesses the value of this expenditure by reviewing the outcomes of consultancy projects and the necessity of agency staff, for example actively working to reduce agency costs by enhancing workforce planning capabilities.

3.4 Governance and Accountability

Our governance framework includes oversight by the Audit and Governance Committee, regular internal and external audits, and departmental budget reviews. These mechanisms ensure that all spending is justified and aligns with our strategic objectives.

3.5 Collaborative Efforts

One example of collaboration with neighbouring councils is the [Joint Municipal Waste Management Strategy](#) with Herefordshire County Council. This sharing of services not only reduces costs but also enhances partnership working for example the successful introduction of household recycling schemes across the two counties.

We continue to work with all partners under the umbrella of the Worcestershire Local Enterprise Partnership (WLEP), which is led by business and includes education, local government and business representation working together to play their part to implement the measures within the Worcestershire Plan for Growth 2020 - 2040, delivering our joint ambition for ‘a connected, creative, dynamic economy for all’. The Worcestershire Growth Hub remains the ‘front door’ for business information advice and guidance, where the local government family place their resources and staff alongside Central government funding to deliver business engagement for the County.

By coordinating training sessions with other councils, we effectively halve the cost of external trainers and reduce duplication of efforts. This approach has proven particularly effective in areas such as leadership development and technical skills training.

3.6 Trade Union Facility Time

Trade union facility time accounts for about 0.5% of our total pay bill. We view this as a valuable investment in maintaining good industrial relations and ensuring that employee concerns and suggestions are effectively addressed, contributing to a more engaged and productive workforce.

4 Barriers preventing activity that Government can help to reduce or remove

4.1 Barriers to Improving Productivity

	Barrier	Requirement
Funding Constraints	One of the most significant barriers is the constrained funding environment (one year funding deals limit longer term strategic investment decisions). Although we have made strides towards becoming financially self-sufficient, the static or declining levels of government funding in	Enhanced funding or financial incentives from the government would enable us to accelerate our digital transformation and infrastructure upgrades, which are critical for improving productivity. Government support for pilot projects that use innovative technologies could provide

	real terms limit our capacity to invest in new technologies and infrastructure that could drive productivity gains.	valuable insights and pave the way for broader adoption across local government services.
Regulatory and Compliance Burdens	Extensive regulatory requirements impose significant administrative burdens on our staff, diverting resources away from frontline service delivery.	Simplification of regulatory frameworks, particularly in planning and environmental services, could reduce these burdens and free up resources.
Recruitment and Retention	Like many Councils we face issues in attracting and retaining high quality staff, particularly around social care, and other technical roles. This is further compounded by the inability to offer more attractive salaries against a backdrop requirement to deliver significant and ongoing savings. However, Worcestershire do offer a flexible and mobile working policy, wellbeing support and employee assistance programme	

4.2 Barriers to Improving Services

	Barrier	Requirement
Skills Shortage	A critical barrier in service improvement is the shortage of skilled professionals, especially in sectors like social care, planning, and IT. This not only impacts the quality of services but also increases reliance on more expensive agency staff.	Support from the government in the form of targeted education and training programs, possibly developed in partnership with local educational institutions, could help alleviate this shortage.
Partnership and Integration Challenges	Effective service delivery often requires collaboration across various sectors and organisations. However, differing priorities, data sharing restrictions, and funding models can impede this integration. For example, ICB data sharing arrangements have been slow to yield results, possibly due to the variety of ways in which ICBs are tackling the same problem across different parts of the country when a single solution may be preferable.	The government could facilitate better integration by promoting joint funding initiatives, standardising data-sharing protocols, and encouraging collaborative projects.
Procurement Processes	Current procurement regulations often lengthen the process and limit our ability to secure the best value for money quickly.	Streamlining procurement regulations to allow more flexible, fast-track procedures for public sector bodies could enhance our ability to improve services efficiently.
Fragility in key markets	Procurement regulations and available resources can impede the Council taking a more active role in supply chain management, and there is significant risk of failure in key markets (social care and transport)	National guidelines to support Council's in their efforts to support markets that are at risk of failure, and greater flexibility in procurement arrangements could enable Council's to support markets that are most at risk.

Financial Planning	Short term funding agreements from Central Government impede the Council's ability to effectively plan for the medium term (MTFP)	Commit at the Spending Review to Multi-year settlement for local government this should include an evidenced bases assessment of council funding needs to provide long term sustainable resources.
SEND	Childrens and Families Act 2014 legislation and associated guidance.	Fundamental review of legislation and policy to identify how the SEND system can be brought back into balance, introduce reforms that create a more inclusive school system which supports keeping more children with SEND in mainstream schools rather than specialist education.
Loss of data or systems due to Cyber attack	The risk of cyber-attack is well managed at Worcestershire County Council, but the increasingly sophisticated methods deployed by organisations seeking to gain access to the Council's information assets means that this risk is always high	The government could provide more support, shared learning, and good practice for Council's to effectively manage the threat.

The common theme across these services is the need for modernisation, whether in terms of processes, systems, or skills.