

Productivity Plan 2024 - DRAFT

Introduction

As part of the Local Government Finance Settlement in December 2023, the Government announced that councils would be asked to produce productivity plans. The Government recognises that local government has already done a huge amount of work in recent years to improve productivity and efficiency. In going further, the aim of the productivity plans is to understand what is working well and what more the Government can do to unlock future opportunities.

This Productivity Plan describes what Torbay Council has done, or is doing, to:

- Transform the way that we design and deliver services to make better use of resources;
- Take advantage of technology and make better use of data to improve decision making, service design and use of resources; and
- Reduce wasteful spend within our organisation and systems.

It also identifies the barriers preventing our progress which the Government can help to reduce or remove.

Through our performance framework we will report on our progress against our Productivity Plan on a regular basis, keeping the Plan up to date as necessary.

Torbay – the place

Torbay is a glorious part of Devon with a compelling natural environment. We're a magnet for tourists and known as the English Riviera. We are home to globally significant technology businesses and have a rich leisure and cultural scene.

Despite everything that is fantastic about Torbay, we know that we face challenges and that some parts of the Bay suffer from nationally significant levels of poverty. There is huge potential, and we have high aspirations. We are investing in our economy and our people. By continuing to work closely with our communities and partners and capitalising on our strengths, we want to make Torbay a happy, healthy and prosperous place for our whole community.

Through re-establishing our Torbay Strategic Partnership in 2017 we had the aim of delivering financial and social benefits for Torbay's residents. Creating a partnership across the whole of Torbay, Torbay Together formalised and strengthened the good relationships that were already in place with our public sector partners and significantly strengthened our relationship with the private, community and voluntary sectors.

In January 2022, the partnership launched our Torbay Story which articulates the distinctiveness, character and opportunities of the area, highlights what make it special, what there is on offer and why it should be on people's list. It sets out what needs to be focussed on for Torbay to prosper – combining elements that were already important in the area alongside the potential of the place and lesser-known ingredients of the Torbay experience.

Torbay Together, now re-named the Torbay Place Leadership Board, are the guardians of the Torbay story and brand. The Board and its members (including Council representatives) provide strategic place leadership locally, regionally, nationally and internationally. They champion the place to attract investment, tourism, talent and relocators. They facilitate collaboration and harness and align the power of the anchor institutions in Torbay.

We are using our Story to drive investment and make positive change. Our Levelling Up statistics as well as how we are positioning ourselves on as a regional and national player has led to investment from Government and the private sector.

We have an ambitious capital programme with projects at varying stages of delivery – we are part of the Town Deal initiative, we have received Future High Streets funding and we working with the Government in a Levelling Up Partnership. We have received Levelling Up Fund monies and are working with Devon County Council on the creation of a Combined County Authority for Devon and Torbay to deliver the Level 2 devolution deal offered to us by Government.

Torbay – the organisation

Ambitions and priorities

We want to see a healthy, happy and prosperous Torbay.

The Council's [Community and Corporate Plan](#), which covers the period through to 2043, reflects and drives this ambition. Based on local evidence, it brings together interlinked priorities under three strategic themes:

- Community and People
- Pride in Place
- Economic Growth

The outcomes which we want to see, definitions of how we will measure progress and the links to other parts of the Council's Policy Framework are identified.

The Community and Corporate Plan also describes our mission of putting our residents at the heart of everything we do. We will ensure a strong grip on finance, working with our communities and partners, to deliver a sustainable future. We will deliver quality services, improve our economy and protect and enhance our built and natural environments, so that we are all proud of our Bay.

In delivering the Plan and in our day-to-day activity, we will work to make sure we are:

- Evidence based
- Making the most of our assets
- Working together
- An efficient and enabling council
- Keeping a strong grip on finance

Structures

As a unitary authority we are responsible for delivering over 1,000 local services including children's and adult social care, road maintenance, leisure facilities and refuse collection.

We have operated a Leader and Cabinet governance system since the Local Elections in May 2019. The Council is currently in no overall control with the Conservative Group operating as a minority administration. The Council's management structure is based around six directorates:

Adults and Community Services, Children's Services, Corporate Services, Finance, Pride in Place and Public Health.

Torbay and South Devon NHS Foundation Trust deliver adult social care services on behalf of Torbay Council which ensures that adult residents receive seamless health and social care.

Our waste, recycling, highways, street scene and parks services are provided by SWISCo, a company wholly owned by Torbay Council.

We know that we cannot deliver the outcomes we want for our residents without working closely with our partners and with our communities. Alongside our partners in the public sector, we understand and value the importance of a strong and vibrant voluntary sector in developing and maintaining a thriving Torbay. We also value that people and communities want to be more involved, work together, improve our relationships, and have better on-going conversations with us. In talking about Torbay's communities, we recognise that the private sector is also a vital part of our community.

Finance

We have worked hard over many years to find sustainable, innovative solutions to the financial challenges that we, and many other local authorities, have faced. Our funding from central government has reduced dramatically whilst at the same time the demands on our high cost, statutory services have increased. However, the decisions which have been taken over recent years have meant that Torbay Council is not in the position of needing to identify substantial savings to balance its books.

Some examples of those solutions include the creation of our Learning Academy within Children's Services to help secure our workforce and therefore reduce the reliance on agency staff, the introduction of garden waste collection service, the move to paperless billing for Council Tax and National Non-Domestic Rates and agreeing different delivery arrangements for services such as leisure, toilets, cemeteries and trading standards.

In setting the budget for 2024/25, the Council was able to focus on addressing ongoing revenue budget pressures, including identifying longer-term saving plans for the future, and providing improved clarity within our Capital Investment Plan. The aim was to take a longer term, strategic approach that looked beyond a single financial year. A direction of travel has been set for the next four years with [revenue savings plans](#) in place for:

- Children's social care placements
- Home to school transport
- Integrated adult social care contract
- Focus on prevention and relief of homelessness
- SWISCo contract fee
- Optimisation of Council assets
- Events
- Legal services
- Streaming of Council meetings

Since the Revenue Budget for 2024/2025 was agreed, the Council has agreed a new Section 75 agreement with the NHS for the delivery of adult social care services. This provides stability for the Council over the next five years which addresses the biggest identified risk within the Council's Medium Term Financial Forecast.

Our Medium Term Resource Plan shows that revenue budget for 2024/25 places no reliance on having to deliver material short term savings from our nine savings plans. Moreover, tangible progress delivered against these plans, over the coming months, will address the forecasted financial gap in future financial years – placing the Council on a more sustainable financial footing.

Revenue Savings Plans provide the focus and control of significant areas of budget spend and pressures, where action will make the biggest difference both in terms of outcomes and financial impact. Oversight of the milestones set out in the Revenue Savings Plans will be undertaken alongside quarterly monitoring of the revenue budget.

Our Capital Investment Programme is being utilised to regenerate Torbay creating aspiration as well as the assets to strengthen our economy. Providing the right environment for our businesses to establish and grow will ultimately stimulate wealth creation, provide homes, tackle poverty and improve health outcomes. The Programme also seeks to ensure that our residents are supported to live independent, healthy and active lives through the creation of extra care housing and the delivery of affordable housing. Through capital investment we have stabilised the costs of temporary accommodation with the purchase of properties across Torbay.

Our transformation journey

Emerging from the Covid lockdowns in 2021, Torbay Council had already made considerable strides in our whole council transformation programme. Having identified that we needed a wider focus than we had previously taken, the programme is built using learning from other local authorities and a systems approach – putting our communities, our residents and our customers at the heart of everything we do.

Our target operating model is built on the principle of consistency, rather than uniformity, to standardise and simplify our operations whilst increasing data sharing to deliver better services.

In 2021 we set out to review every service, with a firm focus on sustainable outcomes. Whilst this programme continues, we have concurrently embedded new customer service standards to ensure our staff and customers have clear expectations, something that was never articulated before. With a focus on our tone of voice being approachable, friendly and always professional, we are working hard to make sure our information, advice and guidance is accessible to our whole community.

We have invested in a new customer relationship management system, which will reduce our virtual front doors from many to just two. Where operations have been traditionally siloed and processes isolated, inefficient and inwardly focused, we are working towards our digital-by-default operating model with the majority of customers enabled to self-serve.

The achievements we have made through this programme also include:

- A new customer portal to our revenue and benefits system (which is fully integrated into our customer relationship management system)
- Implemented a service improvement plan within our Planning Service
- Embedded a robust, well-understood and well-used whole council approach to performance and risk management
- Roll-out of Microsoft 365 enabling a shift to flexible and hybrid working which is aiding the recruitment and retention of staff
- The development of our new recruitment website with associated applicant tracking system, recruitment strategy and induction programme

- Review the workforce information that we capture across the organisation to enable us to work with service areas on creating a meaningful and effective people plan
- Developed and implemented a Community Engagement and Empowerment Strategy
- Consolidated existing grants available for the Community and Voluntary Sector and established new grant funds

Continuous improvement

Whilst the previous section describes the outcomes to date from our Whole Council Transformation programme, there are further achievements that we have made over recent years. However, we recognise that, in many cases, we remain on our improvement journey and we have plans in place to help ensure that we remain a sustainable council.

Within Children's Services, against the backdrop of consecutive inadequate Ofsted judgments we have had to devise the complete re-birth of the service in order to focus on delivering a high-quality service.

A cornerstone of our re-birth was our workforce. We had experienced social work vacancy rates in excess of 40% - resulting in considerable use of agency staff, with variable practice and no commitment to the Torbay improvement journey, and we knew we had to focus on this.

We engaged our workforce, agreeing with them to adopt Restorative Practice as the 'Torbay way', from which we developed our whole recruitment and retention strategy, including our commitment to grow our own through our Learning Academy. Our success in recruiting newly qualified social workers, as well as training and developing existing staff, has achieved outstanding results, with talented individuals rising through the ranks, and delivering a seismic reduction in our vacancy rate.

With our workforce engaged, trained and focussed we gained real traction on improvement, culminating in our inspection findings in 2022 of good across all judgment areas. This was the first time in the Council's existence that we had not been inadequate or requiring improvement.

We are now absolutely focussed on becoming outstanding and in February 2023 were awarded Registered Restorative Organisation status by the Restorative Justice Council, the first local authority within the UK to receive this award.

In November 2021, Ofsted and the Care Quality Commission conducted a joint inspection of Torbay to judge the effectiveness of the area in implementing the special education needs and/or disabilities (SEND) reforms as set out in the Children and Families Act 2014. As a result of the findings of this inspection, HM's Chief Inspector determined that a Written Statement of Action was required because of significant areas of weakness in the area's practice.

In addition, the Council has been working with the Schools' Forum over recent years to address the pressures on the High Needs Block of the Dedicated Schools Block. In February 2022, the Council was invited to take part in the Safety Valve intervention programme with the Department for Education (DfE). As part of the programme, we and our partners have produced, and achieved thus far, a deficit recovery plan that leads to a balanced High Needs Block by 2026/2027. The DfE have agreed to fund the cumulative deficit of up to £12.91m as long as milestones are met during the process. To date we have received £6.193m from DfE towards the deficit.

We have revised our governance arrangements in this area to ensure that the agreed improvements identified in the Written Statement of Action are delivered whilst embedding the recommendations from the new SEND reforms, Inspection Framework and Safety Valve. These

new arrangements provide us with the mechanism to further implement our ambition as set out in our SEND Strategy over the next three years.

Starting with the creation of Torbay NHS Care Trust, Torbay Council and the NHS have spent the last nineteen years pioneering collaboration between health and adult social care leading to the establishment of the integrated care organisation (ICO) in October 2015.

A new five-year commitment to our joint working arrangements, through a new Section 75 agreement, was agreed by the Council and NHS partners in March 2024. Whilst the wide-ranging benefits of integration are accepted, the health and care system in Torbay, and nationally, finds itself operating in challenging financial circumstances. The ICO is forecasting a £12m deficit attributed to adult social care spend for the 2023/2024 financial year, which could rise to as much as to £36m in five years.

As a joint senior leadership team, we are actively engaged in addressing these challenges and, as part of our new agreement are taking forward an extensive transformation programme that aims to improve financial sustainability whilst maintaining, and improving, the quality of care delivered in Torbay. This programme will focus on three key areas:

- Service transformation
- Financial grip and control
- High performing integrated care organisation

The level of homelessness and the need for temporary accommodation was particularly impacted by the pandemic and continues to be impacted by the pressures on the cost of living. Current levels of demand and costs are still far greater than pre-covid levels. Since 2020, there has been a 64% increase in people presenting to the local authority as homeless and a 66% increase in those being provided with temporary accommodation. Increasingly, families are approaching the service, and overall complexity is increasing.

Throughout 2023/24 we focussed on directly purchasing and leasing property to reduce the costs associated with spot purchasing of temporary accommodation whilst increasing the stability of accommodation options available to the Housing Team. 37 properties have been purchased by Torbay Council, with all but one occupied (and the last one undergoing the final renovations and due to be completed imminently). This is helping to stabilise costs and allow more work to be done to prevent homelessness and support households to find more permanent housing.

The Council's insourcing of the Homeless Hostel contract to improve throughput and availability of cost neutral accommodation for single people is also having a positive impact through reducing wider expenditure and placements.

Despite all of the positive progress being made by the Council, the level of increased demand and costs incurred far outweigh the associated funding provided by Government. The 2024/25 revenue budget includes an additional £900k to meet the increased costs of temporary accommodation, operational costs for the Hostel and to provide support for the prevention of homelessness.

To further manage budget pressures that emerge in year, the service will continue their strategic work to improve accommodation pathways and commissioning plans. This will include reviewing homelessness preventative work, arrangements around Housing Management subsidy and opportunities to lever in further grant funding from Homes England.

Our Pride of Place directorate's approach to making Torbay a brighter bay and a premier resort means that there are now better working relationships across the directorate and we are making

better links better heritage, place and culture. Across all parts of the Council we are taking a more collaborative approach with our partners and communities, but recognise that this is more advanced in some parts of the Council to others.

In July 2020 (in the midst of the pandemic), the contract for the provision of waste, recycling, highways, street scene and parks services provided through a joint venture company (Tor2) was ended. The Council created a new wholly-owned company called SWISCo with the aim of providing new, improved services for Torbay. Since then, we have invested in our people, our technology and our plant. We have driven our average residual waste down by 10kg per household (well over 2500 tonnes a year) and for the first time in living memory our rounds are finishing early for both waste and recycling.

The teams are now motivated with new terms and conditions that give them clear roles and the Council better staff retention as we have become an employer of choice. We are significantly more efficient and our streets are cleaner.

The focus on community engagement continues with co-design and co-production being used across the Council – from sea defence schemes to our Big Plan for learning disabilities. Our Engagement and Communications Team is supporting directorates across the Council to engage earlier and more effectively with our communities. Quarterly engagement events are held in locations across Torbay enabling residents to discuss issues of concern with councillors and senior officers. Our weekly e-newsletter reaches almost 10,000 people and during 2023 we held our first Residents' Satisfaction Survey.

Within our transformation programme work is continuing including on the next phase of the CRM system implementation, the roll-out of Microsoft Power BI to develop our use of available data for performance management, implementing our People Strategy, undertaking workforce planning across the organisation and the creation of a centralised data hub.

Barriers preventing progress

The lack of a multi-year funding settlement to local government makes it more difficult for the Council to plan its future financial position with our Medium Term Resource Plan being based on assumptions. In providing a multi-year settlement the Council would wish to see:

- A long term sustainable approach to the funding of adult social care
- Recognition of the demand for services, and the increased costs of those services, within local authorities and, in particular, coastal, unitary authorities
- An increase in the Public Health Grant to take account of the health and wellbeing needs in coastal communities
- An end to “cliff edge” funding whereby expectations are raised and services need to be ceased as funding ends.

In considering the funding of local government, Torbay Council would also ask that new burdens are appropriately resourced. Examples include “Stable Homes, Built on Love” and the National Transfer Scheme for unaccompanied asylum seeking children (UASC). As a Council we are ambitious for our children and families. However there needs to be adequate funding and resources made available for us to deliver against the requirements placed on us by Government.

An end to bidding for funding from different pots would help to ensure that services and projects are less fragmented and that interdependencies can be managed better. The continued flux

between political imperatives, legal duties and short deadlines means that councils are less able to focus on the things that matter to our residents, businesses and communities.

Conclusion

As a confident and proactive Council, we maintain tight control of our budgets as an overspend in one area can have hugely detrimental effects across the Council when it is required to compensate.

As an agile Council we have been able to respond to the short term funding horizons of recent years and ensure that we have achieved the required savings across the organisation to not only give a balanced budget, but also maintain our reserves so that we continue to provide the insurance we need for that rainy day. The balance of our ambition with prudence has been politically supported through concerted officer leadership, where we have painted the picture so that tough decisions can be made clearly.

Over the past four years we have worked hard to put in place the governance “building blocks” to provide the foundation for our improvement journey. Articulating the Torbay Way within our emerging Assurance Framework will serve as a reminder that good governance is essential. Those building blocks – our frameworks, protocols and policies – all supported the smooth transfer of administrative control and the move to no overall control.

Appendix 1: Actions

We will:	Through:
Measure productivity in the organisation	<ul style="list-style-type: none"> ▪ Quarterly performance reports considered by Directors, Cabinet Members and the Overview and Scrutiny Board ▪ Undertaking our Annual Value for Money assessment
Measure the effect of our transformation plans	<ul style="list-style-type: none"> ▪ Consideration of highlight reports and end project reports at our project and programme boards ▪ Measuring the benefits of projects (both financial and non-financial) throughout the life of the project ▪ Customer satisfaction surveys and bi-annual residents satisfaction surveys
Improve the quality of the data we collect	<ul style="list-style-type: none"> ▪ Agreeing a Data Quality Policy
Monitor the implementation of our revenue savings plans	<ul style="list-style-type: none"> ▪ Quarterly budget monitoring reports considered by Directors, Cabinet and Overview and Scrutiny Board
Consider the value for money of our services	<ul style="list-style-type: none"> ▪ A central review of our annual service plans ▪ Undertaking our Annual Value for Money assessment
Assure ourselves that our plans are being delivered	<ul style="list-style-type: none"> ▪ Implementation of our Performance Framework including: <ul style="list-style-type: none"> ○ Quarterly performance reports considered by Director, Cabinet Members and Overview and Scrutiny Board ○ Discussion of performance at regular team meetings ○ Annual appraisals for all staff ○ Regular one-to-ones for all staff to discuss progress against targets