

**Report to the Cabinet**

Meeting to be held on Thursday, 11 July 2024

**Report of the Executive Director of Resources**

**Part I**

Electoral Division affected:  
(All Divisions);

**Corporate Priorities:**  
Delivering better services;

**Lancashire County Council's Productivity Plan 2024**

(Appendix 'A' refers)

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**Brief Summary**

Alongside the final local government finance settlement for 2024-25, government announced a requirement for councils in England to produce a Productivity Plan, setting out how they will improve performance and transform service delivery. Councils should ensure there is member oversight and endorsement of the plan before it is submitted and published. The Government has set a 19 July deadline for submission of the Plans.

**Recommendation**

Cabinet is asked to approve Lancashire County Council's Productivity Plan 2024 for submission to government by 19 July 2024 and publication on the county council's website.

**Detail**

The Department for Levelling Up, Housing and Communities earlier this year requested that each English council produce a "productivity plan" setting out their approach to improving performance, transforming services, and reducing wasteful expenditure. The plans are to be grouped around four key themes with a series of "questions to consider" under each theme:



1. *Transforming the way councils design and deliver services to make better use of resources*, including details on organisational change, measuring productivity, transformation plans, savings, prevention, and capital spending.
2. *Taking advantage of technology and making better use of data to improve decision making, service design and use of resources*, including details on predictive analytics and Artificial Intelligence, data sharing, and legacy systems.
3. *Reducing wasteful spend within organisations and systems*, including details on "invest to save", diversity and inclusivity training, agency and consultancy spend, governance and accountability, sharing office and training costs with other councils, and trade union facility time.
4. *Barriers preventing progress that Government can help to reduce or remove*.

This report sets out the county council's response to this request from government.

## **Introduction**

Government informed councils in February 2024 that they must set out how they will "improve service performance and reduce wasteful expenditure" in new **Productivity Plans**.

This announcement coincided with the final local government finance settlement for 2024-25, which confirmed an additional £600m in funding for local government announced since the provisional settlement was published last year. In return for the additional funding (most of which is for social care), councils were informed that they would need to submit their plans to government.

Writing to councils on 16 April, then-local government minister Simon Hoare MP provided further details on what these plans should include. The new plans will "help us understand what is already working, identify common themes and gaps, and what more we need to do to unlock future opportunities." Councils are invited to "consider the various facets that encompass greater productivity" and "reference not only how you run your organisation but also how you run the public services you provide and how you provide place leadership."

Councils are to submit their plans to government and publish their plans on their websites by 19 July.

## **What government wants to see in councils' Productivity Plans**

The April ministerial letter detailed four key themes and a series of "questions to consider" under each theme.

1. How councils have transformed the way they design and deliver services to make better use of resources.
2. How councils plan to take advantage of technology and make better use of data to improve decision making, service design and resources.
3. Councils' plans to reduce wasteful spend within their organisation and systems.
4. The barriers preventing progress that the government can help to reduce or remove.



Government has provided no formal template, but plans should set out "what you have done in recent years, alongside your current plans, to transform your organisation and services." No specific set of metrics have been requested but government "wants to understand how we monitor and assess plans to assure delivery" so the plans should also contain relevant performance indicators or data.

Councils should also "ensure there is member oversight and endorsement of the plan before it is submitted" and publish their plans on their websites.

Following submission, a productivity review panel made up of "sector experts" including the Office for Local Government and the Local Government Association will review council plans and advise the government on best practice, which will be monitored to inform future funding settlements.

## **Appendices**

Appendix 'A' is attached to this report. For clarification it is summarised below and referenced at relevant points within this report.

<b>Appendix</b>	<b>Title</b>
Appendix 'A'	Lancashire County Council Productivity Plan 2024

## **Consultations**

N/A

## **Implications:**

This item has the following implications, as indicated:

## **Legal**

The requirement to produce, approve, submit, and publish a Productivity Plan is the result of a formal request from government. While there is no statutory requirement to comply with the request, the county council considers it to be good practice and so proposes to submit the plan to government, as detailed within this report.

## **Financial**

The county council's Productivity Plan contains information from recent council financial and performance reports which are in the public domain. The Plan reflects the council's current financial position, planned savings programme and other elements of the council's financial strategy.

## **Risk management**

The request from government for councils to submit a Productivity Plan does not have statutory force and there is no enforcement mechanism or penalty for non-compliance.



## List of Background Papers

Paper

Date

Contact/Tel

None

Reason for inclusion in Part II, if appropriate

N/A

