



Report to: Cabinet Meeting: 23 July 2024

Portfolio Holder: Councillor Paul Peacock - Strategy Performance & Finance

Director Lead: Sanjiv Kohli, Deputy Chief Executive & Director - Resources

Lead Officer: Nick Wilson, Business Manager – Financial Services  
 Carl Burns, Transformation & Service Improvement Manager

Report Summary	
<b>Type of Report</b>	Open report Non-key decision
<b>Report Title</b>	Productivity Plan
<b>Purpose of Report</b>	This report outlines the appended Productivity Plan with the aim of providing Elected Member oversight prior to being submitted to Central Government in July.
<b>Recommendations</b>	That Cabinet note: a) the Productivity Plan presented at Appendix 1 and the activities detailed therein
<b>Alternative Options Considered</b>	None.
<b>Reason for Recommendations</b>	The requirement to submit a productivity plan to central government was confirmed in April 2024 along with the requirement for it to have prior member oversight.

**1.0 Background**

A recently announced funding package for local government comes with the requirement for local authorities to produce ‘productivity plans’ for submission to central government.

1.1 In January 2024 the then Secretary of State for Levelling Up, Housing and Communities announced plans to provide an additional £600 million of funding for local government to be distributed across the sector, including £500 million of new ring-fenced funding for councils responsible for the provision of adults and children’s social care.

- 1.2 The Secretary of State stressed the need for further work to be done to *“improve productivity in local government, as part of our efforts to return the sector to sustainability in the future”* and announced that local authorities would be required to produce productivity plans *“setting out how they will improve service performance and reduce wasteful expenditure to ensure every area is making the best use of taxpayers’ money.”*
- 1.3 The Secretary of State also emphasised that this money, alongside all funding announced at the provisional Settlement, should be used by local authorities to deliver the frontline services on which our communities rely, rather than to be put aside for later use. We will therefore continue to monitor the level of local authority reserves.
- 1.4 A panel is to be established to advise the Government on financial sustainability in the sector which will include the Office for Local Government and the Local Government Association. The panel will review local authority productivity plans and advise the Government on best practice in this area. The Government will monitor these plans and use them to inform funding Settlements in future years.

## **2.0 Proposal/Details of Options Considered**

That Cabinet note the Productivity Plan presented at appendix 1 and the activities detailed therein.

## **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.