

18 July 2024

Email: [productivityplans@levellingup.gov.uk](mailto:productivityplans@levellingup.gov.uk)

Dear Sir / Madam

### **Productivity in Local Government**

I refer to the letter sent to local authority Chief Executives from Simon Hoare, Minister of State for Local Government, dated 16<sup>th</sup> April 2024 concerning the above, and now provide, notwithstanding the recent election and change of Government and Ministerial Team, a response on behalf of North Norfolk District Council, as agreed by the Council's Cabinet under delegation. I also confirm that a copy of this response to Government will be placed on the Council's website, so that the District's residents and Council Tax payers have sight and knowledge of it.

Given the uncertainty as to how the new Government might wish to take this agenda forward, we have not prepared a Productivity Plan per se (and indeed would question the value of a Plan on just three or four pages in length as was suggested in the Minister's letter of 16<sup>th</sup> April) but have rather looked to answer the questions posed in Minister Hoare's letter detailing the Council's position.

#### **1. How you have transformed the way you design and deliver services to make better use of resources**

**How has the organisation changed in recent years to become more productive? You may wish to consider what you have done around staffing, structures, operating models etc.**

North Norfolk District Council has:

- Restructured the senior leadership cohort (10 senior officers) to provide a focus on service delivery and greater clarity of roles around strategic and operational leadership.
- Robustly assessed all vacancies as they arise to establish the continued need for the role or whether different working practices might realise savings and efficiencies.
- Established a People Services service grouping – bringing together Housing Options and Homelessness with Benefits, Disabled Facilities Grants, support for vulnerable people and systems working with health and voluntary sector partners through Community Connectors and Social Prescribers to reduce loneliness and vulnerability resulting in an additional £2 million of benefit entitlement being brought into the district.

- Committed to strategic working with two adjoining districts through the Coastal Partnership East (S113 local authority partnership structure) to develop policy responses and strengthen engineering and contract management specialism along an extended coastal frontage – specialist area of knowledge where, as individual authorities, we would struggle to recruit senior professionals at competitive salaries in the market.

### **How do you measure productivity in your organisation?**

- The Council had an LGA Corporate Peer Review assessment in September 2023, which provided a positive overall assessment of the Council's corporate performance and identified a small number of areas for improvement – particularly around organisational capacity. The Council has developed an Action Plan in response to the four recommendations made and is in the process of delivering against those actions.
- Productivity at a corporate level is measured using KPIs and benchmarking through LG Inform. Whilst the coastal and rural nature of the district and the wide range of discretionary services the Council provides (e.g. beach and foreshore management, Blue Flag beaches, ownership of the Grade II Listed Cromer Pier, management of high amenity areas, provision of 38 public convenience facilities) means direct comparisons for some service areas is difficult, LG Inform is considered useful in the benchmarking of statutory services such as Council Tax and NNDR collection; planning performance; Benefits processing, rates of recycling, missed bins, Ombudsman complaints etc
- KPIs are regularly reported to members via Cabinet and the Council's Overview and Scrutiny Committee allowing scrutiny and challenge of performance issues. Regular reporting also of Corporate Plan priority objectives and against individual project delivery.
- We have recently reviewed service level performance and reporting through the establishment of three Strategic Boards – Performance and Productivity, Major Projects and De-Carbonisation.
- Each member of staff has a quarterly check-in conversation with their line manager to discuss personal and service performance.

### **What changes have you made to improve services, and what effects have those had?**

- Concern over perceived levels of planning performance (timeliness of determinations, engagement with local members and some staffing recruitment challenges, rather than quality of decisions) saw the Council develop and agree a Planning Service Improvement Strategy and Action Plan. A series of recommendations were made and implemented which have led to significantly reduced waiting times for applicants and higher job satisfaction for officers (notwithstanding that the number of planning applications and rates of development in the district have stalled over the period since March 2022 due to the challenges and costs of responding to the issue of Nutrient Neutrality). The planning service is now one of the country's highest performing local planning authorities.

- The Council has recently agreed to carry out a wider programme of service reviews – including the management of car parking enforcement and pricing; a review of the IT service; and how the Council manages its growing portfolio of Temporary Accommodation purchased in response to rising levels of homeless presentations. Given our peripheral location, we have made use of some of the East of England Local Government Association’s (EELGA) Talent Bank consultancy resource to challenge some areas of service delivery and share wider best practice which exists in other local authorities across the region.
- Within the past five years the Council has re-procured its two leisure services contracts (operation of our leisure and sports centres and Cromer Pier and Pavilion Theatre) moving them from subsidised services to non-subsidy / profit-share arrangements saving the Council approx. £400,000 per annum.
- Joint procurement with two neighbouring councils of waste and recycling contract to realise economies of scale and efficiencies in this major area of local authority service delivered to every household in the district.

**What are your current plans for transformation over the next two years and how will you measure the effects of those changes?**

- The Council has commenced a programme of prioritised service reviews which will be taken forward over the coming 18 months, the main focus of which will be questioning service delivery objectives and performance and reviewing systems and processes with the objective of increased efficiency and cost reduction.
- Each service review will be overseen by one of the Council’s two Performance Officers, who will challenge service managers and teams as to what services are provided, the level of resource available and number and quality of outcomes and promote the development of specific measures to determine the level of improvement each service achieves. The review process will also monitor feedback from residents to determine if the changes have been successful in terms of both service performance and realisation of savings. It is recognised that some of these reviews will raise challenging issues for the authority (for example public convenience provision, where because of our coastal and rural economy, dispersed settlement pattern with seven towns and being a popular visitor destination the authority currently provides 38 public toilets at an annual revenue cost of over £750,000).

**Looking ahead, which service has greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?**

- Customer Services, dependent upon the interface between the ‘One Front Door’ customer services team and back-office teams, enabled by greater IT systems integration, self-service, use of AI. The Council has already achieved a lot in this space in terms of self-service via the council’s website and introduction of a ChatBot, however, we believe that there is scope to realise more efficiencies and savings in this space through the further adoption of these technological developments; although the district’s aged demographic and low levels of educational attainment in some groups of our population means that it is believed that there will be a continued need to offer face-to-face customer services support to some residents.

**What role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more.**

- The Council has used capital finance to introduce new IT systems and in upgrading and adapting our offices and other property holdings in terms of environmental performance (thermal efficiency, installation of solar photovoltaics and other de-carbonisation measures).
- We have used capital monies to make changes to our main head office building and a local customer service building in one of our market towns to allow the co-location of JobCentrePlus / DWP services in one of the first such arrangements nationally and now also accommodate County Council Childrens services staff, our local housing provider tenant support staff and the Early Help local policing team in our main office building in Cromer. Norfolk Constabulary also have a police station on the site of our main offices facilitated by the District Council a number of years ago.
- We have used capital resources – both the Council’s own and Government Local Authority Housing Fund and other funding to purchase self-contained properties for use as Temporary Accommodation, providing better outcomes for vulnerable households in the district whilst a permanent home can be secured for them instead of out of district placement in costly Nightly Purchased Bed and Breakfast accommodation.
- In 2021 the Council replaced a thirty-year old leisure pool with a new £12.7million leisure centre (swimming pool, gym and studio) in large part financed through its own capital programme resources, reducing operating costs and supporting a significant increase in the rate of participation / number of users delivering better value for money.
- As part of the introduction of the new waste contract in 2020 the Council invested in a fleet of new refuse collection vehicles, improving fuel efficiency and performance through fewer breakdowns.
- Over the past five years the Council has taken forward a significant programme of public toilet improvements to provide more modern and inclusive facilities (including four Changing Place facilities with a further two under construction) which have also incorporated energy and water efficiency measures. These investments have received a number of awards for this provision.
- The Council, as owner of the Grade II Listed Cromer Pier, continues to make significant investment in the pier structure and facilities on the pier – including a recent £300,000 upgrade of the front of house facilities at the Pavilion Theatre, which has been recognised nationally with Cromer Pier being awarded Pier of the Year status in 2024.

**What preventative approaches you have undertaken and can the value of these be quantified?**

- As part of the new management structure of the authority introduced in late 2020 / early 2021 a new People Services Team was established bringing together Housing Options and Homelessness with Benefits, Disabled Facilities Grants, to support vulnerable people through systems-working with health and voluntary sector partners such as through District Council employed Community Connectors and Social Prescribers. These arrangements had an emphasis on prevention of homelessness,

increased take-up of benefit entitlement through appointment of two Financial Inclusion Officers and targeted support through the LIFT diagnostic tool, resulting in an additional £2 million of benefit entitlement being brought into the district.

- In response to rising numbers of homeless presentations as a result of “No Fault” evictions in a district with acute housing pressures, relationship breakdown and domestic violence, the Council has purchased 24 properties through its own capital resources and Government initiatives as Temporary Accommodation. This is intended to reduce the Council’s use of expensive Nightly Purchased Bed and Breakfast accommodation. This is allowing vulnerable households to remain in their communities in self-contained accommodation providing better outcomes and value for money than could be achieved through placement in Bed and Breakfast accommodation.
- The Council performs in the top quartile for Council Tax and Business Rate collection and has strong anti-fraud and fraud prevention policies in place to maximise income collection.

**Are there wider locally led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?**

- Further and deeper integration of health services with local authority services across our large, rural, district – particularly in primary and preventative care services, family services and, given the district’s aged demographic, older peoples services – including living well services, local convalescence and rehabilitation services to relieve delayed discharge from our distant acute hospitals.
- The North Norfolk District has a number of national strategic infrastructure schemes (offshore wind landfall and cable corridors in the district) impacting on our communities in the national interest. The District’s residents are disproportionately, and perhaps unreasonably, incurring costs in respect of these schemes compared to other communities in terms of the council needing to meet the costs of being a consultee and negotiating and monitoring compliance with planning conditions etc in relation to these projects without the district or its residents reaping any of the direct benefits. In previous years (going back to the 1970s), despite the district being crossed by major gas pipelines the district has some of the highest levels of any local authority area in England which are unable to access mains gas (49% of households). In more current times it now seems history is repeating itself as, despite huge volumes of offshore wind generated electricity passing through the district with disruption to local communities during the onshore civil engineering cable laying operations, the local electricity distribution infrastructure in the district is severely constrained limiting rates of residential and business growth and even the adoption of local embedded generation and capacity to install electric vehicle charging infrastructure. Greater emphasis is therefore needed on national infrastructure schemes investing in the areas they are impacting as this could help to improve the services provided by the District Council – for example through securing community benefits from these major projects such as public EVCPs, electric buses, provision of electricity infrastructure to a country park.

**2. 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.**

**What are your existing plans to improve the quality of the data you collect; how do you use it and how do you make it available to residents?**

- We are currently in the process of redesigning our performance management system. Data is used to inform member and officer decisions and to monitor performance across the organisation.
- Information is made available to residents through our website, across social media channels and in printed form from our public offices and to our 120 town and parish councils.
- We make use of the LG Inform Benchmarking data and have an aspiration to be a high-performing council in the provision of all our services, but recognise that choices exist around some service provision and standards given the financial pressures faced by the local government sector.

**Are there particular barriers from legacy systems?**

- The costs of transferring to new systems and maintaining old systems of previous providers for audit purposes etc
- Legacy and new systems not talking to each other.
- Cost of licences
- A declining number of providers through mergers reducing competition through monopoly / cartel positions.
- Inability to sync with stakeholder data sources – particularly health, police and Environment Agency.

**How often do you share data with other organisations, and do you find this useful?**

- The Council regularly submits statistical returns to Government to allow monitoring and comparison of our service delivery by Government and other local authorities through the LGA's LG Inform platform.
- Data sharing agreements – the Council is a party to a small number of data sharing agreements with the DWP, HMRC in the prevention of fraud and local public sector partners such as the Police, health sector and County Council in the delivery of services to local residents.
- The District Council is a partner to the Norfolk Office of Data Analytics – the public sector data observatory for Norfolk which assists partners with policy and service development, submission of bids and business cases for Government investment into Norfolk across the health, police and crime and local government sectors.
- The District Council believes that there would be value and greater transparency achieved in the Government developing or issuing national policy guidance as to how national data can be accessed and used to inform investment decisions / Government funding.

**Are there opportunities to use new technology to improve workflows and systems, such as predictive analytics and AI?**

- We are currently considering these opportunities corporately as part of the review of our IT service and proposed review of Customer Services and will consider at a service level through the programme of service reviews.

**3. Your plans to reduce wasteful spend within your organisation and systems.**

**How do you approach identifying and reducing waste in the organisation? How do you monitor progress?**

- We aren't sure what is meant by the word "waste" as asked in this question – what is defined as "wasteful" in governmental terms is not the same at a district council level.
- As a District Council we are constantly being asked to do more with less and continually strive to do this despite limitations on our spending power and desire to keep Council Tax rises low for our residents whilst at the same time experiencing above average inflationary costs in terms of wage rises and utility costs.
- The Council accepts that there is always room for improvement and system efficiencies, but compared to national Government across a range of public services, the Council believes that there are much greater levels of waste elsewhere in the public sector than exists across our extensive rural geography and that it is therefore necessary to carefully consider and take into account the impact of any further reduction in the District Council's budget and services on its residents and communities.
- The Council constantly challenges itself and its staff in seeking to improve service delivery and eradicate inefficiencies – including challenging public and internal perceptions of public service delivery, institutionalised behaviours etc. However, some costs are, and continue to be, borne by local authorities because of the Government approach to consultation on policy development, asking local authorities to bid or compete for some funding programmes and mechanisms which involve staff and cost inputs which are then "wasted" if bids are unsuccessful. The Council is also concerned that competitive bidding for some funds also creates unreasonable expectations in a community which then need to be managed if funding bids are not successful.

**Where have you followed invest to save and what was the result?**

- The Council has used Invest to Save principles in a number of areas – including the approach to Temporary Accommodation provision; its Asset Management Strategy in its approach to the de-carbonisation of its estate; employment of an Empty Homes Officer to try and minimise the number of long-term empty properties and increase council tax collection; holding of a Restructuring Reserve to facilitate flexibility and allow agility in managing workforce issues / service reviews.
- The Council also participates in a number of partnership structures such as Active Norfolk and Norfolk Warm Homes which are based upon Invest to Save principles.

**How much time and money do you spend on staff EDI training (internal and external), networks, and other programmes? How many EDI Champions do you have as an organisation? How do you log and report the time and money spent on EDI related activity? How do you assess the effectiveness of that training?**

- The Council does not allocate a budget towards EDI champions or related activity; the Council has recently established a small internal Equality, Diversity and Inclusion Group of 6 staff who meet monthly for a couple of hours so that we can demonstrate compliance with equalities legislation and increase awareness of diversity issues both as a service provider and employer (where diversity issues are perhaps not well understood in terms of cultural diversity, understanding of some conditions etc). This is considered important given our rurality and relative lack of diversity as a community.

**What percentage of total staff budget is spent on a) agency and b) consultants? How do you assess value for money on agency & consultancy spend and what are your plans to reduce use/ costs? How many of those consultants or agency staff have been in place for over a year?**

- North Norfolk District Council has not made significant use of agency staff to deliver services. In recent times we have made limited use of such arrangements in senior Finance positions and in Planning and Environmental Health where we have experienced recruitment challenges given our peripheral location. Previously we have used agency staff to support the Revenues and Benefits service but have developed an apprenticeship programme to “grow our own” staff in these service areas. In the last (2023/24) financial year we spent £320,000 on six agency / temporary consultancy staff, representing 2.12% of our total staffing budget. In the Planning Service we received £100,000 of Government funding to address the planning backlog and used these funds for temporary agency resource to cover this workload.
- At the present time we are making use of some East of England Local Government Association Talent Bank consultancy resource to increase capacity and support us challenge some areas of traditional service delivery bringing specialist and broader experience and additional capacity into the organisation over a limited amount of time – review of our Electric Vehicle Charging Point provision, management of our growing Temporary Accommodation portfolio, review of our IT service structure and development of a new Organisational Cultural Plan.
- For very large capital projects – provision of new leisure centres and complex coast protection schemes the Council has engaged specialised consultancy resources as it does not have the technical expertise and experience to deliver such schemes through its small, retained workforce. Appointment of specialist consultants to advise the authority in the delivery of such schemes is therefore considered good value for money for local Council Tax payers.
- In the feedback we received from Government (DLUHC officials) in respect of our unsuccessful Levelling Up Fund bid to regenerate areas of clifftop public open space in the town of Cromer the Council was criticised for not having used consultants to develop a vision of the bid despite us believing we had the necessary understanding and vision for the project internally within the Council and having compared the use by consultants in similar bids made elsewhere which had / did receive Levelling Up



funding. For the development and submission of that bid the District Council didn't see any added value in the use of consultants.

**What governance structures do you use to ensure accountability of spend?**

- All Council expenditure and purchase orders must be approved by a manager. We only have a limited number of corporate credit and purchasing cards and all expenditure needs to be supported by receipts and is regularly reviewed. Regular budget monitoring and outturn reports are presented to the Council's Cabinet and Overview and Scrutiny Committee.
- The Council has an annual programme of internal audits of its services, with the frequency of audits determined based on an assessment of risks associated with the service in terms of size of budget, number and nature of transactions, perceived risks of fraud etc.
- The Council's Constitution contains detailed information in respect of contract procedure rules, spending thresholds in terms of levels of authority and delegation etc and reports on both internal and external audits are regularly presented to the Council's Governance, Risk and Audit Committee.
- There is a requirement for officers and members to declare any gifts and hospitality and declaring any conflicts of interest and these registers are held by the Council's Monitoring Officer. Officer and member training is provided with respect to these issues.

**Do you share office functions with other councils and if so, how useful do you find this?**

- The Council has accommodated in its offices at Cromer and Fakenham JobCentrePlus / DWP for a number of years. Both before and post pandemic as work practices changed the Council has kept under constant review its office utilisation and has accommodated the County Council's Childrens Services staff, Flagship Housing staff and local Early Help Police colleagues in the Council's main offices.
- In one of the district's market towns the Council has recently brought a long-term vacant office building (previously offered for sale for redevelopment which failed to progress) back into use as rented office space and is currently reviewing its accommodation requirements in another town where it is considering developing a public services hub, including provision of accommodation for a banking hub in response to the continued withdrawal of retail bank presence from many market towns and high streets.

**If you share external training costs with neighbouring councils, how do you factor out duplications of service between your council and your upper-tier council (if you have one)?**

- The District Council is a member of the Local Government Association and District Council Network and undertakes staff and member training and development through these organisations.
- The Council does participate in shared training and development where this is considered appropriate and represents value for money.
- The Council is a partner in the Norfolk Local Government Apprenticeship programme.

**If you have one, what is your assessment and experience of working with an elected mayor, combined authority, or devolution deal?**

- North Norfolk District Council is participating in discussions over a possible County Deal for Norfolk with the model being proposed having a Directly Elected Leader, rather than an elected mayor and combined mayoral authority – but, as yet, no firm proposal for Norfolk is agreed.

**What proportion of your pay bill is spent on trade union facility time?**

- North Norfolk District Council does not meet the costs of trade union facility time or support the provision of a dedicated trade union steward resource. Just over one third of the Council's workforce are members of Unison (124 out of 310 based on the numbers able to vote in the recent pay award ballot). However, the voluntary basis of representation in a "small" authority where staff take on such responsibilities in addition to their main job can create issues for workforce and service planning in teams where trade union stewards are based. Overall, however, this is not considered to be a significant issue for the authority.

**4. The barriers preventing progress that the Government can help to reduce or remove.**

**What are the barriers preventing you from improving productivity further within your organisation?**

- Opportunity for all local authorities to save money through advertising statutory notices online rather than paying to be displayed in regional newspapers the sales and readership of which is reducing significantly. There must be a way to use a digital platform for the display of statutory notices on council websites etc. Requires Government approval / legislative change.
- The number of Government consultations.
- The number of competitive rounds for funding or preferably, eliminate bidding processes.
- Inability for local authorities to operate public car parks using Automatic Number Plate Recognition – this would realise significant efficiencies after initial capital investment and see reduced levels of payment evasion – delivering higher levels of income to councils.
- Question the value for money of PCC elections – cost of poll relative to levels of participation and turnout. Considered to be a very costly exercise in democracy for an individual few members of the public know or understand role of.
- Need for greater certainty around local government funding through multi-year funding arrangements. Need to see the Fairer Funding Review progressed which recognises the challenges of the rural funding gap and additional costs in serving dispersed communities.
- The structure and costs of serving large numbers of town and parish councils – not considered to be sustainable. Large number of Standards complaints, no sanction, guidance only, the Council has one FTE just to investigate Code of Conduct

complaints. Not considered to be a good use of public funds and money. Additional costs to the District Council in managing collection and payment of parish precepts. Increasing numbers of these councils are struggling to co-opt members.

- Issue with Internal Drainage Board levies with the Council having no control over the increase in precept or levy. The Council is a member of the recently formed LGA Special Interest Group on this issue.
- Recent request from Government for local authorities to undertake inspections of unregulated funeral directors. No funding, no guidance or training.
- Caravan site licenses – no charge for inspections or paperwork but big commitment in terms of staff time.
- Potential for the localised setting of planning fees.

### **What are the barriers preventing you from improving services further?**

- Potentially an unsustainable structure for local government in parts of England; but as a district serving a large rural population and coastal communities we would be concerned about possible unitarization of local government services in Norfolk based on the recent experience in North Yorkshire and Somerset which has created councils of such a large geographic scale and population and covering such a diverse range of interests and communities (urban, rural and coastal) they have lost connections with the local communities they are intended to serve North Norfolk District Council would be concerned that a similar situation could arise in the large and diverse county of Norfolk.
- The peripheral location of the North Norfolk District at the northern edge of the East of England region means that we have a number of significant infrastructure challenges, both as a district and as a local authority. For example, we have solar pvs on our main office building and a solar car port array at our recently developed new leisure centre but are unable to sell surplus generation into the local UK Power Network distribution network because of limited headroom capacity. Similarly, limited mobile and broadband coverage means that opportunities for remote or in-field working such as a site visits mean that it is not possible for staff to reliably use mobile devices and equipment to access case files, etc.

### **Are these barriers consistent across multiple services?**

- High local government audit costs and capacity issues meaning that annual audits have been delayed creating pressures on financial planning
- The District Council would like the ability to set fees and charges which cover our costs.
- Financial and service planning would be easier with multi-year funding settlements.
- Greater clarity over the use of data would be helpful, for example Temporary Accommodation costs based on 2011 Local Housing Allowance –when this could be based on the NNDR returns to allow for adjustment based on reality.
- Concern over the lack of insufficient New Burdens funding for the introduction of a food waste collection service and that the timescales being imposed by Government do not consider issues of product supply and availability (food caddies and collection vehicles) where a limited number of suppliers and many authorities needing to

introduce service at the same time will see prices rise and not represent value for money.

- Corporate impact of Nutrient Neutrality issue on housing development and completion rates, which has negatively impacted the authority in a number of ways beyond the reduced number of housing completions and reduction in planning applications. Financially the Council has been negatively impacted by the Nutrient Neutrality issue by lower Council Tax receipts, lower New Homes Bonus payments, a fall in planning fee income and increased Temporary Accommodation costs because of a reduced number of new affordable homes completions compared to programmed numbers.

**What would you need to remove those barriers? What do you need from government, the market or elsewhere?**

- Please see comments made above as to barriers to improving productivity. Government action on any or all of those issues would realise savings and efficiencies across the local authority sector in England.

We hope the comments made against each of the headings and questions above are helpful to Government officials and Ministers in understanding the position of North Norfolk District Council with respect to the productivity and efficiency agenda. We would of course be happy to discuss and expand upon any point further with you.

Yours faithfully



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CHIEF EXECUTIVE**

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Our Ref:- DLUHC Productivity Plans

CC:- Steff Aquarone MP, Member of Parliament for the North Norfolk Constituency  
Jerome Mayhew MP, Member of Parliament for the Broadland and Fakenham Constituency