

# Productivity Plan

Reigate & Banstead Borough Council



## Introduction

On 05 February 2024 the then Secretary of State for Levelling Up, Housing & Communities, and Minister for Intergovernmental Relations, the Right Honourable Michael Gove, MP announced that all Local Authorities would be required to create a Productivity Plan that would be reviewed by a panel of sector experts including the Office for Local Government and the Local Government Association, confirming that:

*“The panel will review productivity plans and advise the government on best practice, which will be monitored to inform funding settlements in the future”*

Mr Gove concluded his announcement by saying:

*“We are committed to improving the local government finance system beyond this settlement in the next parliament and the minister for local government will be engaging with the sector over the coming months.”*

On 16<sup>th</sup> April 2024 the then Minister for Local Government, Simon Hoare, MP wrote to all Local Authorities stating that:

*“Local Government has already done a huge amount in recent years to improve productivity and efficiency. However, lockdown and post-lockdown has proved challenging, and you are looking for new ways to go further. These new plans will help us understand what is already working well across the whole country, what common themes are, whether there are any gaps and what more we need to do to unlock future opportunities. We will share these important lessons across the sector”*

Mr. Hoare went on to say that while central government would not be “...issuing a formal template or a list of criteria”. The Minister then went on to provide a list of questions that local authorities may wish to consider when creating their plan.

Reigate & Banstead Borough Council we have taken some of those questions posed by the Minister for Local Government, the responses to which form the basis of the Reigate & Banstead Productivity Plan.

## Reigate & Banstead Borough Council Productivity Plan

**Section One:** *“Transformation of services to make better use of resources.”*

***“How has Reigate & Banstead Borough Council changed in recent years to become more productive***

RBBC has delivered an enhanced approach to budget setting, supported by:

- comprehensive reporting and supporting information, including detailed MTFP forecasts and Capital Investment Strategy;
- rigorous scrutiny process;
- extensive consultation with stakeholders;
- a Financial Sustainability Programme that focusses on initiatives for generation, achieving value for money, effective use of assets and resource prioritisation;
- detailed Equality Impact Assessments of proposals;
- use of data to benchmark costs against statistically similar authorities, as well as the local and national averages
- comprehensive financial controls; and
- detailed in-year budget monitoring and expenditure controls.

In terms of operating model there has been a focus on identifying the most appropriate delivery methods to achieve the best possible sustainable outcomes for those who live, work, and visit Reigate & Banstead, in the most cost-effective manner – value for money is a key focus.

Where other authorities can provide resilience in terms of subject matter expertise and enhanced capacity to respond to resident needs, RBBC have entered into agreements for those authorities to support RBBC service delivery.

RBBC pride ourselves on being a collaborative partner in the wider community, working with and across public sector organisations, the voluntary, charity, and faith sector, health and wellbeing partners, and wider infrastructure networks with a relentless focus on improved outcomes, value for money, and community capacity and capability building.

A summary of the recent achievements as a result of the RBBC approach is included within Appendix A.

***“How does Reigate & Banstead Borough Council measure its productivity as an organisation?”***

Organisational Productivity is measured in a number of ways:

1. Annual performance reporting on key corporate plans and strategies, including corporate plan commercial strategy; environmental sustainability strategy. ([Corporate Plan Reporting](#), [Associated Strategies](#), [Environmental Sustainability Approach](#))
2. Quarterly performance reporting to Overview & Scrutiny Committee and Executive – reporting on corporate KPIs, revenue budget and capital programme forecasts and treasury management performance. ([Overview and Scrutiny Committee](#), [Executive](#))

3. In addition to this, quarterly reporting on service level performance indicators to the senior management team (unpublished) enabling identification of areas where performance improvement may be needed.
4. Surrey-wide quarterly reporting on key indicators to the Surrey Chief Executives Group.
5. In 2024 RBBC also formally introducing benchmarking as part of our established service and financial planning budget setting process. (Noting that this was undertaken informally within some service areas previously.)
6. Established project management governance and reporting structures, including benefits reporting and lessons learned.
7. Internal audit and implementation of management actions to address opportunities for improvement ([Audit Committee](#))
8. Robust O&S Committee, focus on particular areas of interest plus topic-focused updates from Executive portfolio holders; considerations of lessons learned from key council projects.

Managing individual performance and productivity at Reigate and Banstead Borough Council involves a structured approach to ensure that employees are effectively contributing to the council's overall goals. Here are the key components of how individual performance and productivity are managed:

1. **Performance Agreements:** Employees take part in a structured induction and annual performance appraisals where their achievements, strengths, and areas for improvement are discussed. These reviews are based on predefined objectives and competencies, which also includes Include induction as part of the performance cycle, and compulsory compliance training.
2. **Setting of Goals** – Employees agree Specific, Measurable, Achievable, Relevant, and Time-bound (SMART) objectives that align with the council's strategic goals.
3. **Training and Development:** The council provides various training programs to enhance employees' skills and knowledge, ensuring they remain competent and productive in their roles.
4. **Resident and Service User Feedback:** Feedback from residents and service users is also considered, especially for roles that directly interact with the public

## ***“What are the barriers preventing Reigate & Banstead Borough Council from improving council services further?”***

Currently, and for the past six years Local Government has received its Central Government funding through a series of annual funding agreements. Historically, multi-year settlements have been made, which allowed councils to be more strategic and long term in their approach to service delivery. The short-term nature of funding creates uncertainty for both council officers and residents. This lack of certainty also extends to national policy decisions impacting local delivery of services.

On 21 March 2024 the House of Lords considered the following motion:  
*“Lord Shipley (Liberal Democrat) to move that this House takes note of current local government finances and the impact on local communities.”*

The report heard in the Lords contained the following statement made by the Local Government Association who surveyed Local Councils following the publication of the final local government finance settlement for 2024/25:

*“...The LGA said that while further savings could be made through shared services and new technology, **“2024/25 is the sixth one-year settlement in a row for councils which continues to hamper financial planning and their financial sustainability”**. It argued that as well as providing additional funding to protect services the government must provide councils with greater funding certainty. This could be achieved through multi-year settlements and **“more clarity on financial reform”** so councils could **“plan effectively, balance competing pressures across different service areas and maximise the impact of their spending”**.”<sup>1</sup>*

Competitive bidding processes for Local Government can be time consuming, with the resulting financial input disproportionately low compared to the effort involved.

Housing and Homelessness is a key area of concern for RBBC, and an area where many barriers are experienced that reflect broader trends in the UK, but also specific local dynamics.

These barriers are multifaceted and require comprehensive, coordinated responses at a national level. Key elements include:

### **1. Affordable Housing Shortage**

**Rising Property Prices** Surrey, known for its proximity to London and its attractive living environment, has seen a continuous rise in property prices. This makes it increasingly difficult for first-time buyers and low-income families to afford homes. The gap between average incomes and housing costs has widened, pushing many residents out of the housing market.

**Insufficient Social Housing** The demand for social housing far exceeds supply in many boroughs of Surrey. Waiting lists are long, and the turnover of available units is slow. This exacerbates the pressure on the council to provide adequate housing options for those in need.

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<sup>1</sup> [Local government finances: Impact on communities, In Focus, Published Thursday, 14 March, 2024](#)

## 2. Homelessness

**Increasing Numbers** The number of people experiencing homelessness has risen, driven by various factors such as economic instability, loss of employment, and the lack of affordable housing. This includes not only rough sleepers but also those in temporary or insecure housing situations, such as couch-surfing or staying in shelters.

**Hidden Homelessness** There is also a significant issue with "hidden homelessness," where individuals or families are not visible on the streets but are living in precarious conditions. This group often includes young people, single parents, and those fleeing domestic violence, who may not seek help from official channels.

## 3. Temporary Accommodation Pressure

**Over-reliance on Temporary Solutions** Due to the lack of permanent affordable housing, borough councils are increasingly relying on temporary accommodation, such as hostels or bed-and-breakfast establishments. This is not only costly but also fails to provide stable and secure living conditions for families and individuals.

**Impact on Families** Children and families in temporary accommodation often face disruptions in education, healthcare, and social services. The instability can have long-term adverse effects on their well-being and development, creating further challenges for the council in providing adequate support.

## 4. Funding and Resource Constraints

**Limited Budgets** Austerity measures and limited funding from central government mean that borough councils must operate within tight budgets. This restricts their ability to develop new housing projects or expand support services for homeless individuals.

## 5. Regulatory and Policy Challenges

**Planning Permissions** Securing planning permissions for new housing developments can be a lengthy and contentious process. Local opposition, environmental regulations, and bureaucratic hurdles often delay projects, complicating efforts to expand housing supply.

**Policy Alignment** Ensuring alignment between local policies and broader regional or national strategies is crucial but challenging. Councils must navigate complex regulatory environments while advocating for policies that address their unique local needs.

## 6. Social and Health Implications

**Mental Health and Substance Abuse** Homelessness and housing insecurity are closely linked to mental health issues and substance abuse. Borough councils must coordinate with health services to provide comprehensive care, addressing both housing and health needs simultaneously.

**Social Integration** Helping homeless individuals reintegrate into society involves more than providing housing; it requires support for employment, education, and social services. Effective integration programs are essential to prevent recurring homelessness.

Reigate & Banstead Borough Council also endorse the recent LGA White Paper regarding improvements across the local government sector, subject to the appropriate levels of funding, and support across the local government sector. The paper can be viewed here: <https://www.local.gov.uk/local-government-white-paper>

***“Are these barriers consistent across multiple services?”***

This lack of certainty and reduced revenue will affect all services through critical activities such as budget planning, but for long, multi-year projects such as local plans, it is felt more acutely.

***“What would you need to remove those barriers from the Government, the market, or elsewhere?”***

**Funding:** Were Central Government in a position to provide multi-year funding settlements a great deal of this uncertainty would be removed. Other ways in which Central Government could remove barriers would be through greater empowerment of Local Authorities to set fees reflective of their actual costs (with appropriate oversight), and also through greater local government consultation around the impacts of policy implementation and how these may be managed.

**Competitive bidding:** Replacing the competitive bidding process with project specific funding on a pro-rata basis (eg based on population) subject to a simple application form. If competitive bidding for funding *is* the way forward (a) provide sufficient lead in times recognising that responding to these is often outside the ‘day job’; and (b) provide reasonable time windows within which the funding should be spent. (c) Due diligence and reporting / monitoring are important, but complexity and changing goal posts from Government departments mean that even if funding is secured, considerable resource needs to be devoted to the reporting process as well (diverting from project delivery).

**Housing & Homelessness:** Creation of a national plan and increased capital funding to increase the building rate of social rented homes both by RP’s and LA’s. Currently LA’s pour revenue money into funding emergency bed & bed breakfast accommodation for homeless households which is far from ideal.

**Economic Development/Prosperity:** An appropriately funded statutory role or ‘responsibility’ for local authorities, with appropriate support from relevant Government departments, would be a step to improving productivity across the country.

**Environmental Sustainability:** An appropriately funded, statutory role for local authorities in this area, with appropriate support from relevant Government departments, would be an enabling step to help delivery of Environmental Sustainability activities.



## Appendix A: Summary of achievements

# PEOPLE



New affordable homes from the Council



Supporting communities & voluntary sector



Health partnerships



Supporting residents with rising bills



Refugee resettlement



Expanded Community Centre offer



New outdoor sports provision



Responding to new challenges



Holiday activities for kids



# PLACE



The Rise,  
Redhill



Connecting  
residents to  
jobs



Responding to  
littering and  
flytipping



Horley place-  
shaping



Town centre  
improvements



Investing in  
our  
greenspaces



Reducing our  
carbon  
emissions



Local walking  
and cycling  
plan



Using  
developer  
contributions





# ORGANISATION



Financial sustainability programme



Using data better



Business rates and council tax



Third party funding eg UK Shared Prosperity Fund



Investing in ICT, fleet and buildings



Budget setting



Evolving our service delivery



Communications and engagement



Staff wellbeing

