

Productivity Plan

Theme 1

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

Sandwell Council is committed to delivering high-quality services and the best possible outcomes for our residents. We recognise that to achieve those ambitions we need to maintain a clear focus on using the resources available to us as efficiently and effectively as possible.

The council has experienced a real terms reduction in core spending power of 21.9% - the equivalent of £815 per household – since 2010. Like all local authorities we have seen rising demand for our services in recent years at the same time as our costs have gone up. In this context, we know that it is essential that we continue to transform the way we design and deliver our services so that we can make the best use of our resources.

Following a challenging few years where we acknowledge the council has not always got this right, we are proud of the improvements that have been made and have ambitious plans for our borough.

Moving confidently out of intervention

On 22 March 2022 the Secretary of State for Levelling Up, Housing and Communities appointed two Commissioners and issued Directions to ensure Sandwell Council was able to comply with its best value duty. This followed a Value for Money Governance Review by our external auditors, Grant Thornton, in 2021.

In June 2022 the Council agreed [a single Improvement Plan](#) that represented our response to the recommendations made in a number of external reviews and the Directions. This plan was updated regularly as new priorities emerged and in response to follow-up reports by our auditors, CIPFA and an LGA peer challenge team.

Throughout this period the Government-appointed Commissioners recognised that significant progress was being made. This resulted in Grant Thornton [lifting their three statutory recommendations](#) and the Commissioners concluding:

“The improvement work which was once seen as a standalone priority has now been interwoven with the ‘business as usual’ strategic planning of the Council. In short, we believe the Council is now meeting its Best Value duty and is capable of taking forward its improvement independently.”

We were pleased these improvements were [recognised by the Minister](#), with intervention ending after two years on 22 March 2024 which we understand is the fastest exit from government intervention for any local authority.

This has created a foundation for the council to build on as we transition from being a council focused on improvement, to an organisation committed to high performance. The first phase of our improvement journey was about responding to the issues raised through external reviews and intervention.



We are now moving to a second phase of our journey which is about fully embedding a culture of continuous improvement, embracing transformational change and becoming a modern, efficient and agile organisation that has consistent high customer service standards.

The council has already moved forward since intervention ended, adopting an ambitious new Council Plan and establishing an extensive transformation programme. These are underpinned by the MTFs to drive out efficiencies and improve productivity.

We have the foundation of great governance and the confidence required to continue our journey of improvement and transformation as one council.

An ambitious new Council Plan

We have recently (July 2024) adopted an ambitious new **Council Plan**, founded on business intelligence with improving service performance at its heart.

With strong clarity of purpose, the new plan focuses on four high level outcomes, underpinned by a One Council One Team approach.

One Council One Team is a commitment to unity and collaboration, striving for excellence in serving the community. The plan embraces the principle of being 'brilliant at the basics,' aiming to ensure that core services are delivered with high competence, forming the bedrock of public trust and operational success. This philosophy is a stepping stone towards the broader vision of evolving into an 'outstanding council' — one that not only meets but exceeds the expectations of its citizens, fostering an environment of continuous improvement, innovation, and inclusive growth.

Our Council Plan is not just a document; it's a roadmap that guides us forward towards a better future for all residents and underpinned by our refreshed [values and behaviours framework](#).

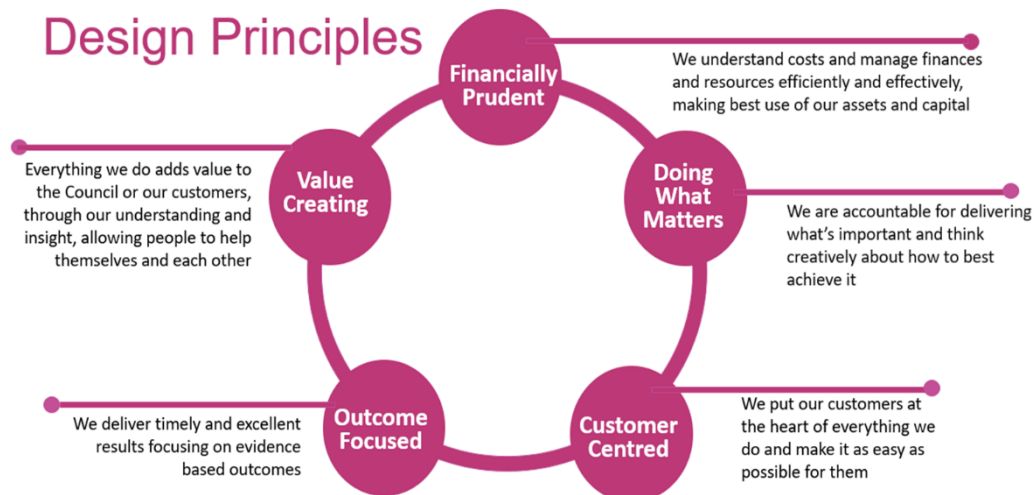
We monitor delivery of the Council Plan through our Corporate Performance Report, which is compiled quarterly. This central document not only reflects the performance indicators' outcomes but also provides updates on the progress of the Council's Business Plans, ensuring they continue to deliver on the outcomes in the Council Plan.

Each Directorate within the Council takes an active role in overseeing their respective Business Plans and specific performance indicators. The aggregation of this data into the Corporate Performance Report offers a comprehensive view of how the objectives set out in the Corporate Plan are being met, painting a clear picture of the Council's operational effectiveness and strategic direction. This systematic approach to monitoring and reporting ensures transparency and accountability in the Council's activities.

Transformation Programme aligned to Council Plan priorities

The organisation has established a Corporate Transformation Team to ensure a consistent approach based on these five design principles.





Using the Transformation Framework an ambitious outcome-led Corporate Transformation Programme has been established, aligned to the priorities in the new Council Plan, comprising 11 areas of Transformation activity, including: Constitution Review, Customer Services, Oracle Fusion, Value Realisation, SEND Transport & SEN Placements and Adult Social Care.

The 11 areas of Transformation are at various stages, the council recognises the Transformation Programme is 'live' and will flex in accordance with business requirements. Underpinning the Transformation Programme are transparent and robust governance arrangements which enable timely decision making, risk management and escalation pathways. Resourcing for the transformation programme has broadly been through one off capital receipts.

Transformation integral to Medium Term Financial Strategy

The council's [MTFS](#) sets out the strategic financial approach that the Council will adopt in supporting delivery of the Council Plan, Improvement Plan and the portfolio of other strategies and plans that support delivery of services in the Borough. The council's Corporate Transformation Programme is integral to, and embedded into, the MTFS.

In responding to its forecast budget shortfall for 2024/25, the Council consulted on a wide suite of budget savings and identified around £12m of savings (largely recurring) together with a package of short-term measures designed to suppress short-term financial pressures. Overall, this package of benefits amounts to £19m, which has been sufficient to balance the 2024/25 budget and which makes a significant contribution to the goal of eliminating financial shortfalls in the medium term. It is important to recognise, however, that a budget gap remains for 2025/26 onwards and the Council's MTFS could be greatly assisted with multi-year funding settlements and greater grant flexibilities, as described in section 4 of this plan.

In considering responses to the financial challenges that lie ahead, the Council is very much aware that there is a need to modernise and transform the way that services are delivered to both external and internal customers. The overall suite of savings selected to ensure that the MTFS is balanced in the medium term will reflect a blend of (a) savings gathered from efficiencies and adoption of best practice (b) the adjustment of service levels (sometimes suspension or cessation of previous service levels) and (c) transformational savings.



The Council has explored and will continue to explore all of these dimensions as it considers the means of balancing the budget in 2025/26 and, subsequently, in the years following. As part of this process the Council has already taken steps to deliver a transformational approach to delivering savings and will seek to widen and strengthen its response in this direction in both the short and medium terms. As part of these ambitions, the Council acknowledges the need to organise many of its activities along more commercial lines, including adopting a Corporate Landlord model for management of its property estate.

An intelligence-driven performance-focused culture

The council's effective performance management framework facilitates accountability, learning and improvement, provides early warning signals and enables informed decision-making. It provides quarterly performance information for the Leadership Team and Cabinet, creating strong oversight and corporate grip of performance. On a [quarterly basis](#), the council gathers and analyses a wide range of data and information to understand how effectively its plans are being implemented and whether the strategic outcomes contained in the Council Plan are being achieved. This includes the outturns for the Council's corporate performance indicators, as set out in the Corporate Plan, and updates to the actions in the Directorate Plans (together forming the quarterly Corporate Performance Report).

Performance of key contracts is included in the quarterly performance reports to provide oversight of the performance of these services and assurance that contract management mechanisms continue to be in place and effective. The Council's Internal Audit Plan and Strategic Risk Register are also reviewed alongside the Corporate Performance Report to ensure alignment and that the right actions are in place to address areas of concern. The information collected is used to enable the authority to better understand the impact of its work on local people, and where necessary, target actions and resources.

Sandwell's [Annual Resident Survey](#) an integral part of measuring our performance, measuring the things that we know matter to our community and judging our performance by the responses.

The Council is confidently making the difficult decisions required to drive productivity and transformation. One example would be the decision taken to [charge for garden waste collection](#) in line with the approach that many other local authorities have taken in recent years.

Underpinned by our values and behaviours

Central to our improvement in recent years has been fixing some of our governance processes and a focus on becoming brilliant at the basics. We know that whilst new policies, strategies or procedures were essential; delivering excellent services is fundamentally about people and our organisational culture and making sure we're all working together to make a difference and help change people's lives for the better.





As we seek to maintain our trajectory of continuous improvement whilst also operating in the challenging financial context all local authorities face, our values and behaviours are the toolkit staff at all levels are using to navigate the huge amount of change taking place across the organisation.

Theme 2

How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources

Becoming a technology-driven, modern organisation

The Council is committed to leveraging advanced technology to drive informed decision-making, refine service design, and optimise resource utilisation across the organisation. Significant progress has been made across several key areas. Our ICT modernisation programme is bringing the entire infrastructure to a modern standard with Cyber as a critical focus. This will provide a solid technical foundation that will support the digital aspirations of the Council.

A large step forward was the decision to replace our on-premise ERP system and move to Oracle's cloud platform, Fusion. The aim is to streamline our business processes across our services and schools, and to gain a greater level of data intelligence, opening opportunities to optimise organisational resource.

We are currently in the final stages of migrating to the Oracle Fusion platform, and once firmly embedded, planning to use the platform to enhance forecasting accuracy and operational efficiency, enabling us to access how we dynamically respond to the challenges within the organisation using data as the driver for decisions.



The Council is now exploring how Oracle Fusion will support a deeper layer of organisational decision making. In the meantime, significant progress has been made with the utilisation of Power BI across various services of the council, largely used to enable real-time insights into key performance metrics and identify areas for improvement. Predominantly, this has been by customising dashboards and reports, which have empowered decision-makers with actionable insights derived from comprehensive data analysis and replacing complicated spreadsheets and manual data collection methods. The use of Power BI in our Adult Services, particularly, is seen as a market leader.

Aside from data, the Council is implementing a new contact centre telephony system equipped with advanced features such as intelligent routing and interactive voice response (IVR). This system will enhance our customer interactions by providing access to more advanced features than the current system, creating more possibilities for using automation and artificial intelligence in communication with residents.

Incorporating AI technologies into our operations is a crucial aspect of our how we aim to deliver services in the future. By harnessing machine learning algorithms and natural language processing (NLP), we aim to extract actionable insights from vast datasets. These AI-driven insights will enhance decision-making speed and accuracy, enabling us to deliver council services in the most modern and efficient ways.

The organisation is also exploring opportunities to deploy robotic process automation (RPA) to automate manual tasks and streamline our workflows.

Developing a data strategy

As a local authority, we capture, process and store a large amount of data across all of our services. Data is one of our most valuable assets that helps inform how we can best deliver services to meet the needs of our communities.

As part of our plans to become an outstanding organisation, we want to make better use of data and insight to help us:

- Make informed decisions
- Find solutions to complex problems
- Understand our local communities
- Increase efficiency and productivity

We recognise that how we use data differs across the organisation and that each service may face different challenges. Work has started to progress a Data Strategy asking departments to complete a short survey based on the LGA Data Maturity Assessment Tool. This will inform the areas of focus for the development of the Data Strategy.



Theme 3

Your plans to reduce wasteful spend within your organisation and systems

The council has many mitigation measures in place to reduce waste:

Value for Money Controls

The council has several controls to ensure value for money and to reduce waste. A **Value for Money Panel** for expenditure over £1000 was established to peer review new expenditure proposals and ensure best value. This has proved invaluable, not only in scrutinising proposed spend but also in increasing understanding of initiatives being progressed across the organisation, reducing silo working and enabling cross fertilisation to take place.

The Council has also introduced a **Vacancy Management Panel** and controls as a means of achieving a short-term expenditure reduction of £7m in 2024/25. This control applies across the council where all proposals linked to recruitment of staff on a permanent/fixed/secondment or agency basis must be approved by the panel, based on agreed criteria.

A **Consultancy Forum Board** also exists as a control to the engagement of consultants across the organisation. This high-level panel oversees value for money of any consultancy proposal, chaired by the Chief Executive.

Performance management framework

As set out under theme 1, the council has a data-driven performance management framework that enables active management of productivity by both Leadership Team and Cabinet. This includes benchmarking our services, understanding high and low-cost areas – used at the corporate and service level to inform key areas of focus for performance and productivity. This in turn has informed the content and evolution of our transformation programme.

Budget monitoring monthly

Monthly budget monitoring enables the council to retain corporate oversight and control of financial performance. As mentioned above, this oversight will be greatly enhanced through implementation of the new Oracle Fusion ERP suite.

The role of Scrutiny and Audit

The council's scrutiny and audit functions work effectively to oversee and challenge decision making and ensure that maintaining service performance is at the heart of everything we do.

At present we do not have shared services with other authorities. The council will keep this under review, assessing opportunities as they arise for the cost effectiveness of potential shared service arrangements.

Equality Diversity and Inclusion approach

Sandwell has a young and rapidly growing population, and we are proud of our very diverse community. We are committed to deliver high-quality and inclusive services to all our residents. The EDI agenda is aligned to the council's new values, one of which is inclusivity.



The council has conducted an audit against the LGA's Equality Framework for Local Government 2021, and developed an action plan to address the issues identified through that process. This work is carried out by teams across the council as part of their duties.

Alongside this, there is a corporate e-learning training module for all staff, and four staff networks have been established. Our approach to EDI will continue to be reviewed to support our ambitions to ensure all our staff are treated with respect, and to deliver high-quality inclusive services that meet the needs of all our residents.

Theme 4

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

Multi-year settlements – Local government has repeatedly received a string of single year settlements. The 2024-25 settlement was the sixth single-year settlement councils have had to use to plan their budgets. This provides no stability or certainty and makes planning future council finances reliant on assumptions and predictions. Any future settlements for local government must be multi-year, covering five years with regular updates to the data, providing local authorities with the figures they need to accurately plan their budgets over the coming years.

Move away from requirement for multiple grant applications – Local Authorities are required to make a multitude of applications for grant funding for various aspects of their business and wider regeneration activity. This reduces productivity and is a drain on resources that could otherwise be focused on delivery. Reducing the number of grant application requirements with a jointly agreed, longer term approach to funding would result in greater productivity, less waste and a more strategic approach.

Greater grant flexibilities – The reliance on grant funding and often strict grant conditions can also prevent local authorities from targeting funding to their areas of need. Local authorities are experiencing a range of pressures and know their local areas best. Loosening grant conditions would enable councils to direct resources to tackle the most significant challenges in their communities.

Vast quantity of FOI, SAR and MP enquiries – Misuse of the Freedom of Information Act by some organisations resulting in significant unnecessary work. This creates a distraction from delivery and repetitive need to answer similar and often nonsensical questions.

Working as single sector when commissioning, research and development joined up to make efficiencies Local Authorities across the country undertake multiple commissions to do identical work and there is a need to share learning from this research. A central R&D team coordinating and disseminating intelligence could achieve productivity gains across the public sector.

Increase the quantum of local government funding – Since 2010, local government has experienced the largest budget cuts in the public sector, experiencing a 18.1% real-terms cut to their funding up to 2024-25. This figure is even greater for authorities in more deprived areas, and in Sandwell we have experienced a real terms reduction in core spending power of 21.9% - the equivalent of £815 per household.



This comes at a time when the demand for council services is far higher than 2010 levels, particularly for adults and children's social care. Local government needs to see its quantum of funding returned to 2010 levels over a period of a few years to truly be stabilised. This would mean providing local government with above inflation increases on their settlements until real-term 2010 funding levels are restored.

In the medium term, local government needs to be made fairer, with more funding distributed on a needs basis. This involves introducing a number of reforms to ensure that the gap between the most deprived and least deprived areas does not grow wider.

Review and reform Council Tax – Council Tax is regressive and an unfair way to fund local services. The Council Tax and Council Tax benefit system needs to be reviewed and reformed to create a fairer and more equitable way to fund local services that does not punish the most deprived households. This could be done as part of the independent academic review.

