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| Committee: | Cabinet | Date: Thursday, |
| Title: | Blueprint Uttlesford update | 24 October 2024 |
| Portfolio Holder: | Cllr Petrina Lees, Council Leader | |
| Report Author: | Peter Holt, Chief Executive pholt@uttlesford.gov.uk | Key decision: No |

Summary

1. This report provides a routine update on progress with the Council's four-year change programme, *Blueprint Uttlesford*. *Blueprint Uttlesford* is designed both to deliver the four-year savings required to balance the authority's budget during an ongoing period of austerity and year-on-year reduced resources, as well as modernising operations, and addressing organisational culture and staff development.
2. Each review goes through a 'discovery phase', in which a wide-ranging and holistic overview is taken of the environment in which the relevant service/function operates, what societal, technical, statutory or other changes are in play or on the horizon, and in which stakeholders (staff, councillors, partners, suppliers and importantly of course, service users) are actively engaged. After that discovery phase, options development begins in earnest. For this update, being part way through the year, most of the reviews are at/towards the end of the discovery phase, albeit with some in the options/delivery phase.

Recommendations

3. That Cabinet notes this report.

Financial Implications

4. Although the successful delivery of the *Blueprint Uttlesford* change programme is fundamental to balancing the Council's budget over coming years, this update report itself has no direct financial implications.

Impact

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| Communication /Consultation | Various of the <i>Blueprint Uttlesford</i> projects necessarily involve engaging relevant stakeholders, such as workshops with voluntary and community sector groups and parish/town councils for the Grants Review. The Museum Review has been developed in full and open |
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| | <p>partnership with the Museum Society Trustees. <i>Blueprint Uttlesford</i> reviews also engage directly with the staffing groups concerned, so they are done with the team, not done to the team. Reviews have also engaged with Councillors through focused workshop sessions, particularly as part of the early 'discovery phase', in which there is a genuinely open and wide-ranging discussion about issues on the horizon for each service area, how other councils deliver this function, what can be learned from elsewhere etc. In many cases, the voice of the service user should also be heard, as to inform the process.</p> |
| Community Safety | Any particular community safety aspects are factored into each individual review. |
| Equalities | Each individual review is subject to an Equality and Health Impact Assessment. |
| Health and Safety | Any particular health and safety aspects are factored into each individual review. |
| Human Rights/Legal Implications | Legal implications are considered in each review as appropriate, with a particular focus on the authority's statutory duties in various service areas. |
| Sustainability | A cross-cutting workstream has been established to support each individual review so that climate crisis and biodiversity impacts are factored into thinking from an early stage and throughout. |
| Ward-specific impacts | All wards |
| Workforce/Workplace | A cross-cutting workstream has been established to support each individual review on human resourcing implications. This workstream has also developed a People Plan, which is developing staffing capacity and organisational culture. The People Plan has been separately reported to Cabinet, and an update on its work is included below. |

Situation

6. Last year (2023/24) was Year One of the *Blueprint Uttlesford* change programme, and its various projects have previously been report on to Cabinet. A summary of how well each of those Year One projects is actually delivering on its agreed outcomes is as below.

| Year One review | Outcome delivery update, as of October 2024 |
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| Sale of asset | Consideration of the sale of one or more of the authority's commercial asset portfolios was subject to its own detailed report to full Council on 26 February 2024. This project was therefore slipped from Year One to Year Two (2024/25). An update on this review is contained in the subsequent table below. |
| Dunmow depot sale | Similarly, this project was pushed back to Year Two and is reported on in the subsequent table below. |
| Local Highways Panel contribution | This was a relatively straightforward change to achieve once Members had decided, in that it merely required deleting from the budget, as it had no contractual or staffing impacts, being a direct financial contribution to Essex County Council, who as the highway's authority have statutory responsibility for these functions, and which indicated that UDC's annual contribution was no longer welcomed. This £100,000 budgetary saving has been fully achieved. The impact of this cut has been that there is £100,000 less available to make minor road improvements in the district to top up the County Council's larger budgetary provision. |
| Voluntary and Community Sector Support – stage one | This review drew together a range of grants budgets into one unified pot, totalling £799,000, which Members voted to reduce to £550,000 in the February 2024 budget. These various pooled budgets (including the £78,000 Members grants pot of £2,000 per Councillor) have been maintained in the 2024/25 year by use of one-off resources, giving time this year to work up more detailed proposals of how to award the £550,000 budget fully from 2025/26. This £250,000 budgetary saving has been fully achieved. |
| Revenues and Benefits – stage one | This review of the Revenues and Benefits function looked in Year One at the management of the service (leaving the bulk of the service to a second phase in Year Two). A saving of £66,000 was fully achieved by moving from two management posts (one for revenues and one for benefits) into a combined revenues and benefits manager post. This resulted in a compulsory redundancy. |
| Environmental health and licensing – stage one | The work on the environmental health and licensing review was planned to operate over Years One and Two. The work in Year One was preparatory, with the full level of savings to be presented in Year Two. |

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| Museum | <p>The work on the museum review was planned to operate over several years, depending on options developed. The work in Year One was preparatory, with the council and the Museum Society jointly commissioning an independent expert review. Further details of the progress of this review are contained in the Year Two update table below. Following the retirement of the Museum Curator and acting up arrangements being put in place internally to cover her role; a staffing restructure of the museum staffing has delivered a £39,000 saving to the budget. This resulted in three redundancies.</p> |
| Economic Development | <p>This review of the authority's small economic development function identified that there were no savings achievable without sacrificing highly valuable services. No savings were therefore identified, and the service's budget instead was expanded by £10,000, as agreed in the February budget. This review illustrated that each review was entered into with a genuinely open mind, and that although savings were essential overall, that genuine priority areas need not be cut equally.</p> |
| Corporate Management Team | <p>The Chief Executive, as Head of Paid Service, is responsible for determining the shape and size of his senior staffing. Members, through the cross-party Appointments Committee named by full Council, is responsible for appointing to vacant posts of chief officers reporting directly to the Chief Executive and the Section 151 and Monitoring Officer statutory officers. The Chief Executive restructured his senior team, resulting in one fewer director/strategic director (i.e. grade 13 or 14 posts) and therefore a budgetary saving of £115,000 saving has been fully achieved (including both salary and associated on-costs such as Employers' NI and pension contributions).</p> |
| Car Parking | <p>This review presented options for various levels of car parking charges, after a freeze had been in place for many years. Members agreed a pattern at various levels leading to an anticipated net increase of income (after coping with various increasing costs) by £534,000. All the fee increases have now been made, and the new parking hours/sites now introduced. Data reports on car park ticket sales are showing that income receipts to date for car parks collectively are overachieving against the budget expectations. Further details of the income will be set out in the</p> |

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| | quarterly budget monitoring reports presented directly at Cabinet. |
| Highways Ranger cost | In delivering its functions and duties as the Highways Authority, Essex County Council funded a Highways Ranger Service, by way of financial contribution to several local district councils, including Uttlesford. Once ECC decided to end this function, the reduction of their funding to ECC was deleted from our budget, and the two staff in question were in one case redeployed and in the other case made redundant. Whilst removing the income expectation from our budget, the council did not at the same time remove the staff salaries provision, even after these posts were vacant as a result. A saving of £86,000 (again including not just the salaries, but also the employer on-costs) has now therefore been removed from the budget to catch up with these previous changes, following the County Council's decision to end this function. |
| Customer Service Centre - Thaxted | Before the pandemic, a few hours a week of customer service function was provided operating from the Thaxted library, giving general advice. This function did not recommence after its suspension through the pandemic, and as a result of this review, was formally ended, with an associated base budget saving of £13,000, and resulting in a compulsory redundancy. |

7. In addition to the planned service reviews, as part of the budget setting process some additional future savings were identified, giving total additional savings of £611,000.

| Directorate/Service Area | Saving | Description |
|--------------------------|----------|---|
| Waste Services | £143,000 | Reduction in cost of managing and maintaining vehicle fleet Increased income from vehicle maintenance work for UNSL Additional service income for fee paying services Reduced costs of fuel and overtime |
| Communities | £49,000 | Reduction in staffing and aligning spend to grant income received |
| Facilities/Asset Team | £43,000 | Increased income from commercial lettings |

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| | | Reduction in running costs for Little Canfield Site |
| Revenues and Benefits | £21,000 | Reduction in discretionary council tax support budget based on actual demand |
| Other miscellaneous | £10,000 | Various minor items across all service areas |
| Planning | £282,000 | Pre-planning application advice cost reduction Reduced consultancy and legal fees in planning appeals Increased income from core development work |
| Mailroom | £46,000 | Removal of vacant posts |
| Homelessness | £17,000 | Net expenditure savings on |

8. Year Two *Blueprint Uttlesford* reviews are (unless otherwise specified) due to achieve full-year savings from April 2025, and will be presented to Members for decision, generally as part of the February 2025 budget process. A summary of the development of these various reviews is offered as below.

| Year Two review | Progress update with development of these reviews, as of October 2024 |
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| Sale of asset | Full Council agreed on 26 February 2024 to market the authority's 50% share of Chesterford Research Park, setting (in private session, for obvious reasons) a minimum reserve price which if met or exceeded would lead to a sale under delegated powers, or else reported back to full Council for decision as to whether or not to accept and proceed. That marketing exercise is fully underway and will be reported back to Councillors in due course. In a highly price sensitive market, it would be against the authority's interests to give a running commentary. |
| Dunmow depot sale | The vacant asset is currently costing the Council £100,000 per annum in rates, utilities and opportunity cost of borrowing. Therefore, to enable a prompt sale it has been marketed without outline planning permission. A sale (subject to Planning) has been agreed, Formal approval for the sale is required from Full Council and a report will be presented once the Heads of Terms are finalised. |

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| Space rental | <p>Council has many years' history of bringing in income by renting out some of its office/depot space to commercial tenants (as well as providing some at lower/free rent to key partners where this achieves a positive social benefit, such as rent free space to Saffron Hall, or lower-than-commercial rates to Essex Police) – not only in London Road, Saffron Walden, but also with three small-business tenants in Walpole Meadow, Stansted and small and large tenants at the Little Canfield Depot. As has been widely reported recently, the authority is in the process of renting marketing currently vacant office space, particularly in the London Road council offices. Approximately £100,000 of additional annual income is anticipated to be received as a result of taking on these extra tenants for otherwise empty space in 2025/26. Further available space will be marketed in due course (likely running into the next financial year), aiming to increase this income to £200,000 extra in total.</p> |
| Estates and Facilities | <p>This review is reaching the end of the discovery and options phases and will in all likelihood deliver significant savings, whilst also absorbing additional costs such as the provision of security officers at a number of scheduled council meetings. The review also incorporates the reintegration of the facilities and cleaning services, previously part of the service provided by UNSL.</p> |
| Voluntary and Community Sector Support | <p>The budgetary savings of £250,000 have been fully achieved, albeit with their impact not felt in this financial year due to the one-off bridging funding mentioned above. Extensive stakeholder engagement has been undertaken in this year as to how to deliver those savings with the least negative/most positive impact, including a member workshop, a voluntary and community sector workshop, and most recently a parish/town council session with the voluntary and community sector. The transition to a new multi-year commissioning programme (the bulk of the £550,000 available) and a one-off grant funding programme will shortly be launched. The specifics of this one-off grant funding programme are still to be finalised and will include a replacement for the former £2,000 per councillor direct grant award scheme. The administration has indicated its intention to involve a cross-party group of members making these one-off grants, with all 39 councillors able to make individual proposals.</p> |

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| Communities | The communities review is part way through its discovery phase but has not yet held a full cross-party member workshop. Detailed proposals are nonetheless anticipated in time for the 2025/26 budget round, and for inclusion in the February 2025 budget papers. |
| Revenues and Benefits – stage two | The revenues and benefits review, following the management level changes made in Year One (detailed in the table above) is also in its discovery phase. Due to staffing capacity at a senior level, this review is going slower than originally planned, and is running 3-6 months behind, and is still at an early stage of its discovery phase. As a result, it will not be sufficiently advanced to bring forward any proposals in time for the 2025/26 budget in February 2025, and so will be brought forward later, most likely as a mid-year set of changes in summer/autumn 2025. |
| Environmental health and licensing | The environmental health and licensing review is approaching the end of its discovery phase, which included a well-attended and active Member workshop. Detailed proposals are anticipated in time for the 2025/26 budget round, and for inclusion in the February 2025 budget papers. |
| Museum | The Council and the Museum Society Trustees are (as of September 2024) jointly commissioning an options development/outline business case paper, by an experienced and independent expert. Proposals will be brought forward later in 2024/early 2025, but as this process is still very much exploring a wide range of potential future options, it is not possible to predict or prejudge a direction of travel. |
| Residential and trade waste | The environmental services review is approaching the end of its discovery phase, which included a well-attended and active Member workshop. Detailed proposals are anticipated in time for the 2025/26 budget round, and for inclusion in the February 2025 budget papers. |

- The original Blueprint Uttlesford programme identified a savings target of £6.6m as shown in the Medium-Term Financial Strategy for 2023/24 budget setting. The savings target was expected to change annually in line with inflationary increases and non-controllable areas of demand growth, e.g. a new waste collection round to manage increased housing growth. The current year Medium-Term Financial Strategy 2024/25 identifies an increase in the required savings of £0.7m giving a new savings target of £7.3m. To support

this annual increase in expenditure and subsequent increased savings target, the original programme, will have an additional year 5 of planned savings.

The approach to finding the year 5 savings (i.e. 2027/28) will be developed closer to that time, as there will inevitably be many further changes to those longer-term financial challenges between now and then. An initial outline approach will be developed for inclusion in the next MTFs, presented to Members this coming February.

10. As itemised above, the first year of the *Blueprint Uttlesford* programme regrettably led to five redundancies, on top of one the previous year (driven by Essex County Council’s decision to cease funding to UDC of the Highways Rangers programme). As a matter of both policy and financial good practice, Uttlesford District Council is determined to minimise the number of redundancies, whilst accepting that over the course of this four-year change programme, staffing numbers may well decrease from circa 330 by a significant number. In full agreement with our Trade Union, this policy is supported by an operational decision to fill casual vacancies with fixed term appointed staff only (usually on contracts of up to two years). By so doing, if and when a review leads to a team size needing to shrink, this would minimise the number (and often much higher cost) of permanent staff redundancies, and in so doing retain and value our longer-serving, dedicated workforce. Exceptions to this fixed-term-only appointments rule are made on a case-by-case basis, and this is actively policed by way of a weekly vacancy and appointments review meeting, where no vacancy is ever filled without sign-off personally by the chief executive in discussion with HR colleagues.

Fixed term appointments have UDC contracts, terms and conditions, and are not paid through an agency with a mark-up and are paid at the same rate as their co-workers (not at a higher day rate). This vacancy control process runs in parallel with extensive work to reduce the use of agency staff (paid at a higher day rate and with an agency commission too) – more details in the People Plan paragraph below.

11. The savings to be delivered from the *Blueprint Uttlesford* programme necessary to deliver the Medium-Term Financial Strategy targets (updated in February 2024 to £7.35million over four years) are through the reviews/projects detailed above. Running alongside these annual programmes are a series of ongoing cross-cutting workstreams, which serve to both enable and support the reviews/projects, as well as to delivering non-savings improvements in their own right. An update on the work of these cross-cutting workstreams is contained in the following table.

| Cross-cutting officer workstream | Update as of October 2024 |
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| Benefit realisation/cost control | This workstream works proactively with colleagues leading each review/project, particularly after the options have been agreed by Councillors, to check that they see through the changes, and especially that they deliver the predicted extra income/reduce the agreed |

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| | <p>spending. This workstream also proactively supported reviews/projects during their development to reality-check their financial projections, ensure there is no double-counting, and that their savings/increased income projections are realistic.</p> <p>The cost control element of this officer workstream again works closely with colleagues to ensure that they not only live within their budgets/deliver against their existing income targets generally, but also avoid waste. Uttlesford has a proud track record in avoiding waste (which cannot be said of all councils elsewhere) of for example not having a February/March rush to spend annual budgets to try to demonstrate that they need to be continued into following years rather than potentially face being cut if they are considered excessive.</p> |
| Income | <p>This workstream takes a proactive approach to exploring opportunities to sustainably increase income – including considering the negative impacts on residents/businesses that inevitably come with pushing up fees and charges. UDC is currently leading an Essex-wide benchmarking exercise on fees and charges, which will assist local options development and ultimately support members in making emerging decisions and avoiding unintended consequences or ending up as an outlier.</p> |
| Customer Impact and Community Engagement | <p>This workstream takes a proactive approach to supporting reviews/projects in considering the impact of different options on customers and communities, including containing an expertise on Equalities and Health Impact Assessments [EQHIAs, as required by the 2010 Equalities Act].</p> |
| How we work | <p>This workstream is, as of late summer 2024, now beginning to ramp up its work looking across the council (and therefore across individual service reviews/projects) on areas such as the use of Artificial Intelligence, and reviewing common/shared functions, tracking/mapping the whole customer journey, and considering software solutions and business process reengineering opportunities.</p> |
| People | <p>This cross-cutting officer workstream is delivering the People Plan, as previously reported to Cabinet. A fuller update on this work is provided in paragraph 12 below.</p> |
| Shared services | <p>This cross-cutting workstream has previously informally explored with leading members the authority's appetite (determined as low/nil) for considering any wholesale</p> |

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| | <p>sharing of services with another authority, as the only shared services option that offers potentially larger, holistic savings and efficiencies, such as enjoyed by Brentwood and Rochford Councils, which have separately elected Councils, but a single officer establishment. This workstream now therefore continues to explore and where appropriate bring forward opportunistic smaller opportunities to share services with a range of other councils, in which Uttlesford has a proud history, sharing (sometimes elements of) individual services/functions such as building control, environmental health and licensing, and procurement. One current such opportunity currently being explored with several other Essex councils is around fuel purchasing and contracting.</p> |
| Climate change and biodiversity | <p>This officer workstream proactively reaches out to and works with all review/project workstreams so that climate change and biodiversity issues, impacts and opportunities are factored into all options being developed, rather than being considered as an afterthought.</p> |
| Stakeholders | <p>The workstream provides a point of constructive challenge and support in ensuring good practice in actively engaging stakeholders in the development of options, both during the discovery phase of each review, and as more specific options formally emerge.</p> |

12. Our Workforce Plan and Action Plan seeks to ensure that the council supports its most valuable asset - its people to achieve our Corporate Plan objectives. The first activity to be rolled out from the action plan was the review of the organisations 'Values and Behaviours' used for staff appraisals, the new values and behaviours were set by a working group of employee volunteers across all council service areas and led by the HR Manager and the Unison representative. A new appraisal process was implemented, this provides the tools and visibility for both managers and employees to monitor and manage performance effectively. There are a number of projects in progress from the action plan and these include:

- Staff Survey – to be issued late October/early November
- TUGS (Team Uttlesford Gets Social) was set up early this year to encourage staff to meet up socially, help make new employees feel welcome, get staff back to work and to support health and wellbeing. It is being led by Unison with the help of staff volunteers and there are a number of events and activities coming up over the next few months
- *EDI Board*: An Equalities, Diversity & Inclusion Board has been set up, including 13 employee volunteers

- Reviewing our onboarding and Induction processes
- Agency and temporary workers Framework - we have partnered with Essex County Council and have introduced a framework to order temporary and agency workers. We went live with this on 25 September 2024 and are piloting it in our Environmental Services, with a view to rolling it out across the council next year.
- Training and Development offer to staff is being reviewed. Reviewing options on how to carry out an organisational skills gap analysis, review our Learning Management System, set up a learning zone and learning and development plan for staff. After we were unable to recruit to the fixed term post, other options are being explored to develop our offer, for example, working with other Local Authorities on options for shared resources.
- Hard to recruit and retain posts, this year we have five apprentices and another three have just joined us, totalling eight. All are in our 'hard to recruit to' roles. Three of which are current employees that we are upskilling and five are new starters:
 - 3 x Trainee Planning Officers (one recruited through the Planning Pathway)
 - 2 x Trainee Building Control Officers
 - 2 x Trainee Accountants
 - 1 x Trainee Mechanic
- Attending the Uttlesford Careers Fair on November 20th to coincide with the LGA national recruitment campaign and is another opportunity to promote 'working for the council' and to raise awareness with our young people to get them thinking about a career with us and that councils become an employer of choice.

Risk Analysis

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| Risk | Likelihood | Impact | Mitigating actions |
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| That the Blueprint Uttlesford programme fails to bring forward/Members fail to agree to take the difficult decisions necessary to deliver the necessary savings to meet MTFS requirements, and/or fails to capitalise on opportunities to modernise, improve resilience | 2 | 4 | Fortnightly officer Boards to monitor progress; assigned chief officer lead and co-lead for each review, and lead for each cross-cutting workstream; updates to councillors. |

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.