



Hull  
City Council

# Productivity Plan 2023/24





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## Introduction

This Productivity Plan has been produced in line with the guidance provided by the Department of Levelling Up, Housing and Communities in April 2024, focussing on four key questions:

- How we have transformed to make better use of resources
- Our plans for increasing the use of technology
- How wasteful spend is being eliminated
- What Government can do to remove barriers

Over the past ten years, Hull City Council has taken every opportunity available to respond to the social, economic, and public funding challenges experienced, by working with partners to improve outcomes for residents.

The council has successfully met the major challenges of balancing our budgets and maintaining essential services

whilst delivering cost savings of approximately £150million, in spite of austerity driven and inequitable local government funding policies, compounded by the major, and ongoing, impacts of the COVID-19 pandemic and cost of living crisis.

As would be expected, this has left our resources both financial and staffing, stretched to breaking point with a consequent reduction in our workforce of some £160million and 1,550 FTE over this period, which equates to an incredible 30% of our remaining staff cohort.

As a result, there is now very little scope to further reduce costs whilst protecting key services and Hull, along with many other similar authorities, is approaching the "end of the road". Put starkly, productivity for the council has been shaped fundamentally by cost reduction programmes alongside maximising external grant funding. The council has prioritised services that protect the most vulnerable, whilst taking every opportunity to support growth in the economy with the aim of balancing budgets over the longer term.

# Hull City Council’s Approach to Productivity

The council’s approach to productivity has looked beyond the financial cost savings alone, to align service quality, performance outcomes and resources, such as workforce, estate and technology, to ensure we are an efficient and effective council for the residents of the city.

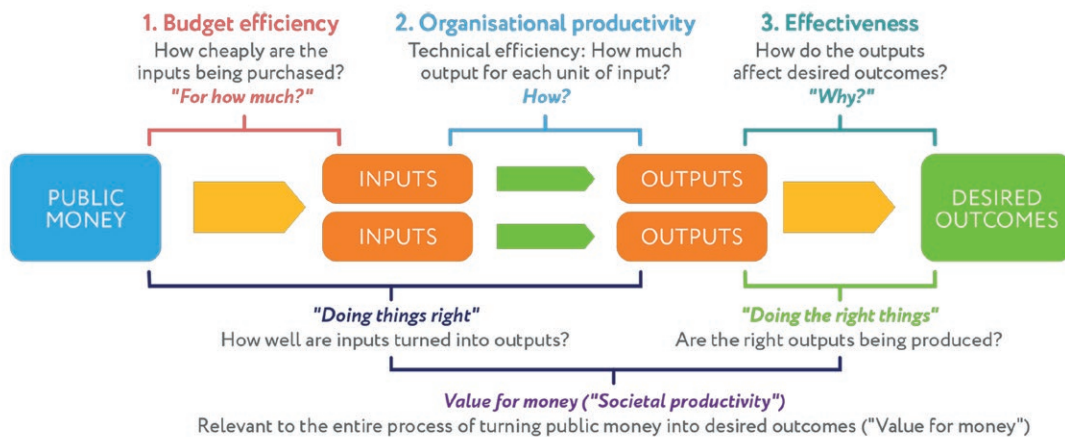


Figure 1, The Productivity Agenda 2023, The Productivity Institute

Following these principles working with partners, the council has identified six ambitions within our Community Plan, below, which are aligned to our Council Plan priorities and individual service business plans:

1. Safe and welcoming neighbourhoods
2. A healthier and fairer Hull
3. Reaching our potential
4. Economic growth that works for all
5. Responding to the climate and nature emergency
6. Our culture, our heritage, our city

This approach is underpinned by the council’s:

- People Plan - our plan to ensure we develop the right supporting culture and behaviours and the innovative, skilled, agile, healthy and engaged workforce essential to delivering our ambitions
- Medium Term Financial Plan— our strategy for financial sustainability and efficiency and annual budget
- Council constitution – our governance model and how we make our decisions
- Various policy and strategy documents that provide more detailed deliverables on estates, technology and infrastructure.

The council’s annual business planning cycle outlined below, sets out the key events throughout the year.

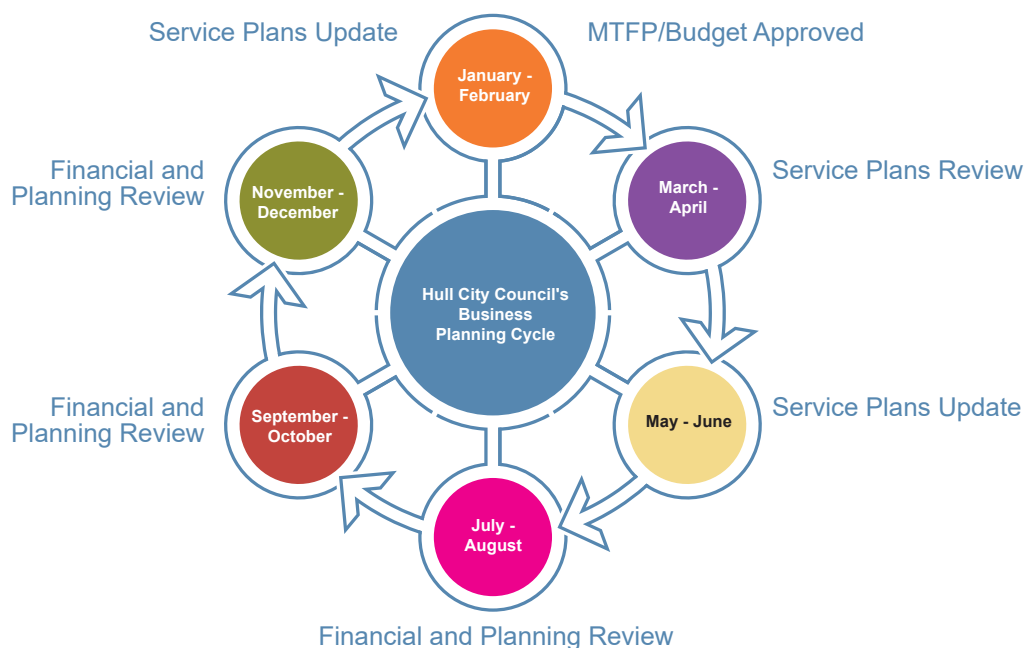


Figure 2 Hull City Council’s Financial and Service Planning Cycle



## Transformation and Delivery of Savings to Services

Since 2010, and despite austerity driven and inequitable local government funding policies, compounded by the ongoing impacts of the COVID-19 pandemic and the cost of living crisis. Hull City Council has successfully met the major challenges of balancing our budgets and maintaining essential services, whilst delivering cost savings of approximately £160million and consequent reduction in our workforce of some 1,550 FTE over this period, which equates to an incredible 30%. In addition, the council outlined an ambitious efficiency savings programme over 4 years in 2022-23, with delivery of a further £28.5million in savings from various schemes, including vacancy management, service restructuring, energy efficiency schemes, improving technology utilisation, fundamental service redesign and income reviews.

The paragraphs that follow outline the transformational activity that has been undertaken in the council's biggest service areas, Adult Social Care; Children, Young People and Family Services; and Neighbourhoods and Housing.

### Adult Social Care

Two thirds of our general revenue expenditure is related to the care of vulnerable children and adults, and protecting the city's most vulnerable residents whilst seeking savings and productivity improvements, continues to represent the most significant challenge in the provision of council services.

Our population is ageing and, given Hull's demographics, our people generally require more support earlier in their lives, so overall demand and the complexity of need

continues to increase, adding considerable additional pressure to our budgets. The number of individuals, largely under the age of 65, needing support continues to place great demand on our services. For example, the demand for supported living placements in the city has increased almost four-fold over the last decade.

Crucially, our deprivation levels translate to a very low proportion of Adult Social Care clients who are able to self-fund; just 11% in Hull compared to a national average of 37%, which is a very significant and increasing driver of our costs and places a substantially higher burden on us than on most other local authorities.

Over the last few years, we have worked very successfully to deliver major changes in how we deliver our Adult Social Care support in order to maximise people's independence, resulting in a better life experience for people in Hull and in reducing unit cost. The way we initially engage with our residents and work with our partners and providers to ensure service users get 'the right support at the right time' has been designed to reduce the number of people needing formal care.

In response to this, Hull City Council's Adult Social Care Transformation Programme was established in December 2015 in response to the recognised financial pressures which meant a new model for Adult Social Care was required in order that the service is sustainable into the future. The programme's objective was to deliver, separate from other change underway or anticipated, at least £15million savings by 2019/20. The Future Operating Model was focused on improving citizens' wellbeing and outcomes, preventing, reducing and delaying reliance on formal Adult Social Care support, creating a financially sustainable Adult Social Care offer, and establishing a positive culture in the service and with citizens.



A newly focused Adult Social Care improvement programme has been established aligned to our 'Community Plan'.

## How Do Our Priorities Fit With Hull Community Plan Ambitions?



Figure 3, Adult Social Care Transformation Priorities

This work led to the development of an Adult Social Care Strategy for the city and the associated priorities for service specific focus to ensure the right outcomes for our financial and resource investment.

## Adult Social Care Strategy



Figure 4, Adult Social Care Strategy

Service review and continuous improvement is embedded within our operational culture, with annual performance planning cycles for review and benefits realisation.

## Continuous Improvement Programme Three Year Plan

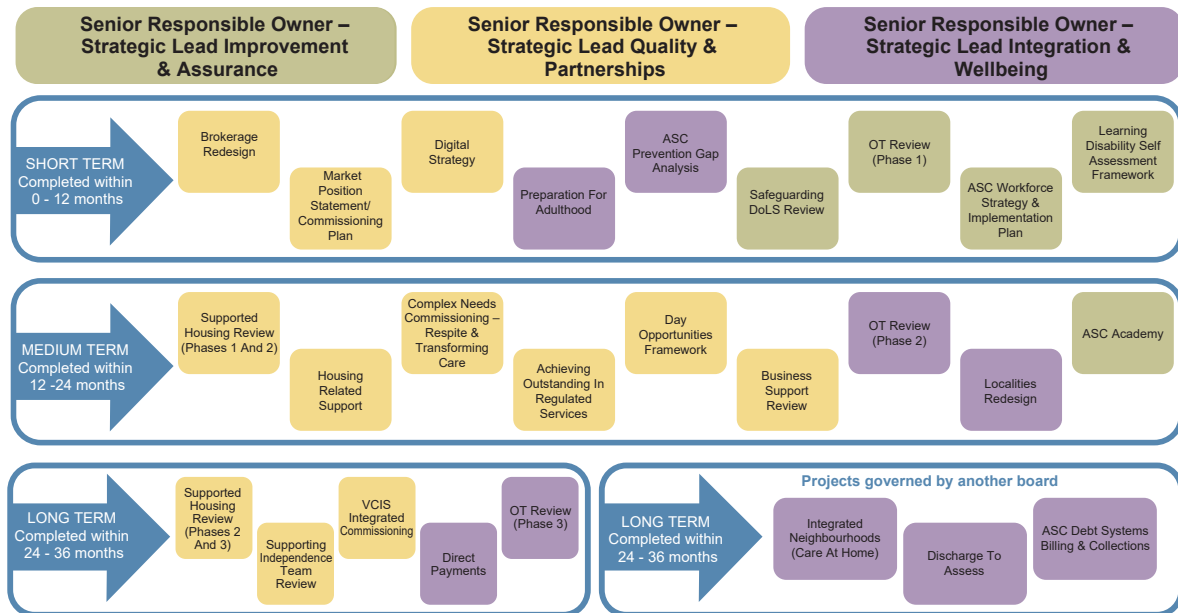
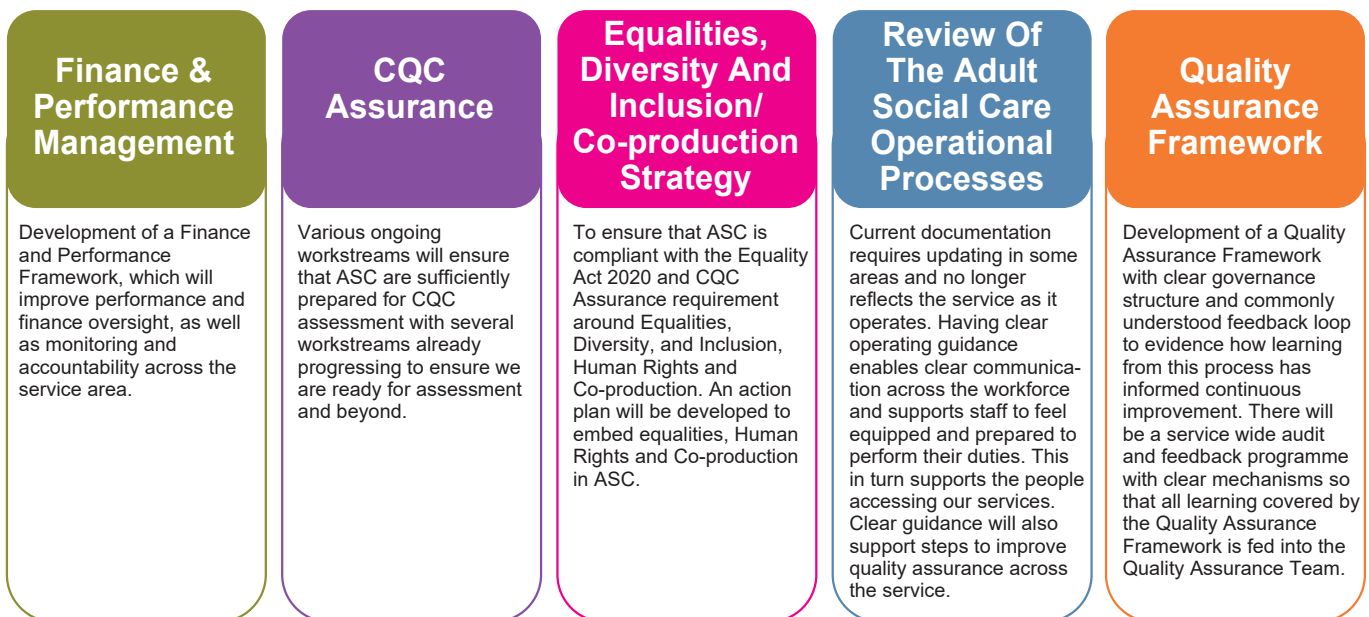


Figure 5, Adult Social Care Continuous Improvement Framework

## Continuous Improvement Overarching To The Three Year Programme



Embedded across the continuous improvement programme, led by the Leadership Team

Figure 6, ASC Continuous Improvement 3 Year Programme





## Children, Young People and Family Services

For context, our average placement costs have increased by approximately 20% since 2017/18, despite us having over 50% reduction in external independent expensive placement use and investing significantly in our own more cost-effective provision, in contrast to many other areas. When the 20 largest independent care providers are posting record profits of over £300million, it is plain to see where a substantial amount of public money intended to support our young people is going at the moment (the biggest independent children's care providers in England made £300m profit last year | Social care | The Guardian).

Furthermore, as a City of Sanctuary, we have worked hard to accept over and above our allocated share of Unaccompanied Asylum-Seeking Children (UASC) through the National Transfer Scheme to provide assistance to the Kent crisis. We have also seen significant increases in numbers of spontaneous arrivals of UASC, particularly those who were erroneously age assessed at South East ports and find themselves in adult dispersal hotels.

As a result, we are now seeing a very steep increase in demand in our care leaver population, with almost a third of our care leaver population are those who were formally UASC (who we are responsible for supporting up to the

age of 25) which are currently unfunded. This demand is further exacerbated by the delays in the Home Office providing these young people with a decision on their asylum claims. This prevents them being able to enter the labour market, despite many being more than willing and able, but instead the cost of their support costs continues to be borne by the local authority.

The council is proud to say, due to our successful focus on service restructure and improvement, the demand for children's and young people's placements has reduced in Hull over the last two years. In line with the numbers of Children Looked After, the costs for our provision have risen significantly due to inflationary pressures on our cost base and the associated pressures facing our providers and carers.

Innovations in demand management and service redesign are constantly being implemented by our Children's Services teams, and they continue to improve both quality and financial outcomes, but our costs continue to escalate, reflecting ever-growing levels of service demand and an increasing complexity of need, particularly for children with special educational needs.

A continuous improvement programme continues in Children, Young People and Family Services, moving forward we are developing the 'Big Ambition' programme.

## Our Six Improvement Priorities

To work towards having clear and open lines of communication that support a collaborative and partnership approach to the delivery of services that offer greater choice and control

To have improved links and partnership working where we develop and plan services together

To identify need early so that the right support can be put in at the right time

To have improved 'measurable' quality assurance arrangements that hold all partners to account in relation to their duties under the Children & Families, SEND Regulations and SEND Code of Practice

To deliver sustainable services that are value for money and ensure we can continue to deliver good quality services that make a difference to our children, young people, and their families

To have improved transition experiences for our children and young people which support and enable them to reach their full potential

## What do we want to achieve and what is needed to make this happen?

Measure the impact of strategic actions of the Local Area Partnership (LAP)

Embed the values of the coproduction charter across the SEND system, creating opportunities for meaningful engagement

Strengthen the Graduated Approach to SEND, identifying and meeting needs early within inclusive school cultures

Ensure a robust quality assurance framework lifts the quality of EHCPs to a consistently high standard and captures the voice of CYPF

Remodel SEND outreach services so that all pupils have access to specialist support within a clearly defined graduated approach, preventing escalation of need

Ensuring that the transition process begins early and includes those who do not meet the threshold for high needs and complex care.

Map out SEND services so that they are more easily navigated by parents - Clearer pathways and thresholds

Implement a coordinated multi-disciplinary local area partnership workforce development approach, ensuring consistency of practice and accountability across all local area partners

Ensure all children have timely access to specialist provision when this is their assessed need

Reducing the need for EHCPs through the consistent application of high-quality teaching and SEND support

Increase the employment and training opportunities for SEND learners

Increase short break provision for children with disabilities in residential and fostering, including emergency provision

Embed the Improved LAFSS delivery model and Occupational Therapy (OT) service to meet rising demand for services

Reduce wait times across NHS therapeutic and diagnostic services

Figure 7, CYPFS SEND Improvement - 6 Priorities

Over the last five years, Hull has seen an average increase of 16% in the number of requests for Education, Health and Care Plans (EHCPs) creating significant additional pressures. The current five-year delay by the government in the building of a special school where there is agreement it is required, further exacerbates local sufficiency challenges, which impacts significantly on the High Needs Block deficit.

Furthermore, the national and local market for Social Workers has been extremely challenging, resulting in significant overspends on Agency Social Workers in the last few years. We are successfully implementing a

number of initiatives to retain and 'grow our own Social Worker' workforce, through our 'Social Work Academy' and extensive use of the Apprenticeship Levy. Through this, we have managed to recruit and train an unprecedented level of social workers since 2022.

Since the Academy established, we have had 59 social workers complete their ASYE and have a further 20 commencing between July and September 2024, totalling 79. There have been a further 46 social work students who completed their placement with the Local Authority over a two-year period. The council currently has 33 people undertaking the social work apprenticeship degree.



## Neighbourhoods and Housing

The council owns and maintains approximately 23,000 homes, which represents around 20% of the city's total housing stock. Whilst the council has recently embarked on a comprehensive improvement programme, which is in part driven by the changes in the social housing regulation framework and, specifically, the introduction of consumer standards against which all providers performance will be

assessed. In response, we have established a Housing Service Improvement Programme.

The programme is focussed on improving the standards across all of our housing stock, ensuring tenant views are heard and seeking to improve the lived experience on our city's estates.

### Housing Service Improvement Programme - Structure

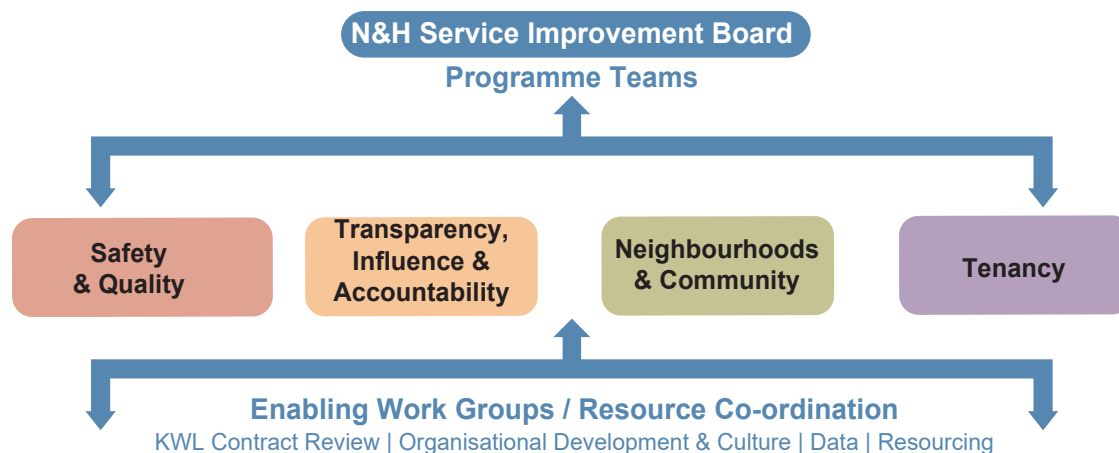


Figure 8, Housing Service Improvement Programme

## Our People

Our People Plan describes our approach to workforce management and outlines our objectives for the next four years. The plan (and associated delivery plans) will enable the council to ensure the right people are in the right place at the right time.

We have adopted fundamental organisational design principles to ensure our structures are lean and efficient and place decision-making at the frontline, whilst our decision-making schema provide appropriate governance structures. Through our effective use of the apprenticeship levy for development in the workplace we ensure that scarce resources for learning and development are maximised to deliver compliance with statutory and mandatory learning and increase overall workforce culture aligned to public sector values. We are continuously improving the digital maturity of the council through learning interventions enabling the workforce to maximise the use of new technologies.

Working in partnership with voluntary sector, public sector and private businesses enables the council to deliver services in ways which harness shared learning and joined up outcomes for residents e.g., shared training delivery.

## Capital Investment

The council's strategy for increasing productivity has also been to maximise the levels of external grant funding, enabling it to support growth in the local economy. It has been very successful in drawing in additional resources from both public and private sources to deliver an ambitious programme of investment in Hull's infrastructure and assets in order to drive the economic regeneration and productivity of the city.

Major initiatives include:

- The Fruit Market Development
- A new multi-purpose venue/arena – 'Connexin Live'
- A major investment in our Maritime Museum and maritime heritage
- A £5.4 million investment in our city's public realm
- A significant redevelopment of our Queen's Gardens public area
- Complete renovation of the Hull New Theatre and the Ferens Art Gallery
- Major leisure centre upgrades across the city

- A significant number of highways improvement schemes, including the A63 Castle Street upgrade
- Advancing a major district heating investment programme

The council has, and continues, to both rationalise and invest in its Corporate Estate with the ongoing development of the 'Guildhall Campus' as a city-centre focus for our activity and in-line with our ambitions for carbon reduction and our approach to flexible working.

## Increasing the Use of Technology

The council's digital transformation journey supports our ability to achieve our council priorities and the wider Hull Community Plan ambitions for the city. Our digital ambitions are being achieved through engagement with residents, businesses, and workforce, building on relationships with innovation and digital partners to deliver the latest in digital customer experience, partnering with local businesses to develop the future digital economy and educational leads for transforming our current workforce digital skills.

Since 2018 the Council has digitally transformed its public facing services. The transformation has been supported by Voluntary Sector partners who assist residents to gain digital skills. The Council has established clear integrated structures for how it manages data across the city with a focus upon customer interaction with key databases for public assets, residential properties, the corporate and commercial estate and its customer interface with residents. The Council represents the local government

sector on the steering groups that shape the Yorkshire and Humber Care Record and Interweave with a focus upon consuming and providing data to support health and care integration. The measures taken have supported a reduction in calls to agents a month from 75,000 per month to 25,000 per month currently.

The council has embarked on a significant digital transformation programme, moving towards cloud-based technologies and increasing the use of improved office operating systems to support mobile and flexible working arrangements. This supports staff operating from multiple locations and completing work whilst on-site. The programme enables the workforce to have access to the digital skills needed in a safe and secure way to deliver effective and efficient services to the communities of Hull. Digital solutions are being embraced, understood and valued by everyone and provide the ability to collaborate through the use of business intelligence, whilst delivering continuous improvements.

This is changing the way that the council delivers services, enabling the transformation of our business culture, practices, and optimisation of processes, by adopting and deploying innovative, technology. As a result, this is supporting a digitally upskilled workforce, offers improved value for money for the people of Hull and enables us to be more resilient and agile in our ability to face existing and new challenges.

We are currently in the process of replacing the council's Oracle eBusiness Suite with Enterprise Resource Planning (ERP). The current system includes HR, Payroll, Procurement, Finance and Learning & Development functions.





In addition to the system implementation and ongoing support, it will be necessary to engage with the preferred supplier to help the council review, change and embed new working practices and processes that take full advantage of the new opportunities that a new modern system will provide. e.g., Automated workflows, Access via mobile devices or Chat-bots for HR advice etc. This is a major programme that involves all service areas and is expected to deliver benefits right across the council.

## Eliminating Wasteful Spend

The council continually strives to improve services and ensure the best use of resources. However, following over a decade of real time spending cuts from Government, any perceived 'wasteful' spending is no longer available for financial savings, as is the case across the wider local government sector.

In Hull, the council has outlined a strategic overarching efficiency programme for four years, starting in 2022-23, which is focussing on continuous improvement and cost reduction. This is not without challenge, but the council is proud that, in line with our Medium-Term Financial Plan, it has successfully delivered £17.2million of the £28.5million planned savings programme to date, and risk assessed future plan delivery to ensure it is sustainable – full details of the programme are within the Council's Budget and Medium Term Financial Plan which can be viewed at [hull.gov.uk](http://hull.gov.uk).

To further support the council's financial sustainability beyond 2024/25, and ensure best use of resources, we are looking to review Best Value/Value for Money and alignment of council performance, quality and finance to enable informed decision making for budgeting purposes in 2025/26 and beyond. The "Hull Best Value Service Framework" brings together comparative cost and performance data which can then be overlaid with relative priorities. National financial comparators, such as CIPFA Stats, Oflog metrics and Local Gov VfM reporting, will be assessed for alignment with area specific performance, and quality metrics, and our council priorities, to determine future productivity opportunities.

The framework will be embedded in the council monitoring process, with benchmarking for comparators going forward used to inform future business and financial planning cycles. The framework will be built upon over the coming months, so that it will support the decision-making and budget process for 2025/26, which will be informed by the latest funding intelligence throughout the coming calendar year. This will provide an early response to the financial challenges identified within the Medium-Term Financial Plan.

## Barriers to Improvement

The council's financial strategy over recent years has focussed on the delivery of programmes of savings and efficiencies designed to reduce the council's cost base in a considered and controlled manner, protecting

service delivery and minimising the impact on the most vulnerable in our community. Over the same time period, it was also expected that the Government would honour its commitment to introduce a Fairer Funding regime to better reflect specific area deprivation, and local demand and tax base, in the central allocation of local government resources, such that the council's cost base could be brought into line with the expected level of available resources.

However, whilst the council has been successful in managing its budgets and maintaining financial stability, it is very unfortunate that the Government have failed to introduce a fit for purpose national funding model. As a result, whilst the council recognises the continual need to seek further cost savings, with the unprecedented challenges we are now facing with regard to service demands and costs, it will not be possible in the medium-term to balance future budgets and maintain essential services without additional Government assistance to address the structural failings in the current funding methodology.

Additionally, it should also be highlighted that the increasing value and volume of specific ('one-off') grant funding provided by various Government departments, has created a significantly increased risk to the council's financial stability. Within Hull there is a substantial level of specific grant funding for which no financial commitment has been given beyond March 2025, creating a real financial 'cliff edge'. This funding relates to critical services, such as 'Early Help', 'Homelessness' and 'Domestic Violence', which we need to support many of our most vulnerable residents. Cuts in this funding would lead to significant impact on the most vulnerable residents and yet greater demand, and added pressure, on wider public services and the public purse.

Such approaches to annual settlements and ad hoc grant funded services have severely increased the administrative burden to 'back office' functions within local government with limited value added being demonstrated either locally or nationally.

Alongside the financial challenges arising from the flawed funding model the council is also hampered by inconsistencies and weaknesses in the legislative frameworks which govern council activity. For example, the frameworks relating to the provision of services for children with Special Educational Needs (SEND) and the Housing Benefit regulations in relation to vulnerable residents create both additional financial pressures and shortfalls in service provision.

Whilst the changes in NHS structures with the move to Integrated Care Boards still has the potential to enhance closer working and greater productivity at a local Hull 'Place' level, these benefits have yet to materialise. Whilst the council continues to work closely with NHS colleagues, the uncertainty over the new working arrangements and the future funding of the NHS (and local councils) will inevitably impact on productivity in the short term at least.

