



### Introduction

Watford has a population of 102,300 in just 8.5sq miles, an increase of 13.2% between 2011 and 2021. Our town is home to 43,700 households and we serve a sub-region of 500,000. We have a thriving economy, with 5,940 active businesses, providing 76,000 jobs. Our directly Elected Mayor provides strong, visible and stable political leadership to those who live, work and visit Watford.

We live by our borough's motto, to 'be bold', and for us this means thinking differently, challenging the accepted way of doing things and working with our partners across the public, private and third sectors. We have embedded an ethos of evolving improvement, empowering our people to lead and drive new ways of working. Our approach was praised in our Local Government Association Corporate Peer Challenge [report](#), November 2023; and in our 2023 resident survey, 73% responded they were satisfied with the council and almost 70% that the council was efficient and well run.

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

Our approach to productivity is driven by:

- People – a skilled and agile workforce, driven by ambition and clarity of purpose;
- Process – continuously seeking opportunities to improve, driven by data and technology;
- Partnerships – adaptive to changes in our environment, seizing opportunities to work with partners to ensure we are making the very best of our limited resources.

The council has transformed over the last four years, strengthening the strategic focus of the organisation and embedding a continuous improvement approach to delivering high-quality, cost-effective services. Our [Council Plan](#) sets out our aspirations for both the council and the borough. It is forward looking and outward facing, with an emphasis on ambition and outcomes. It informs our budget setting and is an essential tool for determining how we allocate resources. Our associated [Delivery Plan 2024-26](#) ensures an unwavering focus on delivery and transparency around our performance.

### Our Strategic Framework

Our [Strategic Framework](#) underpins everything we do at Watford. It aligns and links our ambitions and commitments to delivery, performance and resources with our place. The impact of this robust approach is clear: it has driven the council's track record for delivery and strengthened service planning and budget management across the organisation.

Through the framework, our ambitions, commitments and values are woven into the fabric of the organisation. It has accelerated delivery by providing clear direction and purpose.

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*"WBC is hugely ambitious for Watford, residents and businesses and is driven for each to thrive. Following peer discussions with staff at all levels, there is clear evidence of a 'golden thread' from the Elected Mayor's manifesto, through the Council Plan to the individual performance reviews and objectives." LGA Peer Challenge*

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## A people-centred approach to drive productivity

### Our values and behaviours

The integration of our values and behaviours into the fabric of our organisational culture is a key driver of productivity. Our [People Strategy](#) demonstrates the pivotal role that values and behaviours play in driving productivity. Our approach drives innovation, inspiring our people to think creatively and embrace new challenges. By aligning our core values with our strategic objectives, we create a cohesive framework that links individual performance to organisational success. As a result, we achieve higher efficiency, improved outcomes, and a workforce who deliver excellence.

### Agile

Our agile approach also drives productivity. Bringing people, processes, technology, time and place together to identify the most appropriate and effective way of working for every service, we empower our people to take

ownership of their work, manage their time, and work according to their strengths. As a result, we have reduced turnover by 10% to an all-time low and reduced absence rates by 41%.

### **A lean and aligned management structure**

Over the last three years we have ensured our structure is lean, aligned with our strategic objectives, and drives productivity through matrix working. As a result, we have been able to reallocate management costs to front-line delivery. We recognise retaining talent is as vital to our future success as attracting the best new talent: over the last year, 15% of our staff have progressed to new opportunities within the council.

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*“WBC has demonstrated in the last three years that focused effort and strong leadership on organisational development and culture change can deliver positive outcomes including increased capacity and improvement.”*  
LGA Peer Challenge

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### **A matrix approach to service delivery drives productivity**

The council has adopted a mixed-economy approach to service delivery. Services are regularly assessed to ensure that the most effective and best-value delivery model is adopted. We commission the voluntary sector; share services with other Hertfordshire councils; and have also outsourced certain services, as we know our communities will receive higher quality and more cost-efficient services through specialist contracts. We have clear principles for our approach to mixed-economy service delivery. We aim to strengthen our resilience, deliver transformed services that provide better customer experience and value for money, enable our staff to develop and ensure the resulting model does not increase costs.

#### **Case study: Co-designing across place to drive productivity**

One Watford has been established to deliver Watford’s strategic ambitions. The board has set a vision and missions for Watford in 2040, through a systems leadership approach. This enables Watford to drive our productivity by: developing a sense of purpose; driving effective collaboration and communication; and underpinning the approach with data and reporting. The outcome has been to increase productivity through shared projects and identifying outcomes to be delivered collectively.

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*“The impact of well-developed and mature partnership relationships is evidenced by the deep understanding of the council’s service requirements and how these play into delivery expectations and more widely with the council plan priorities.”* LGA Peer Challenge

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### **Driving productivity with local government partners**

Over the last few years, we have built stronger relationships with our public and local government partners, which, in turn, has driven productivity. We have united behind a shared ambition in terms of successful growth and economic prosperity, as well as gearing up for a greater devolution for Hertfordshire with the Hertfordshire Growth Board. There is strong synergy between our aspirations and mission for the borough and the wider county goals for growth and prosperity, whilst the partnership is also a tool to maximise productivity.

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*“The council through its leadership, plays a lead role at county and borough level for example working closely with the five other south-west Hertfordshire councils and the county council to plan for the long-term future of the area.”* LGA peer challenge

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### **Measuring productivity**

As part of the reset of our strategic framework, a fundamental review of key performance indicators was undertaken. Like the Delivery Plan activities, they form the basis of service plans and Performance Development Reviews, ensuring that the strategic focus is embedded. Our quarterly [Performance and Progress reports](#) outline how we are performing against the specific commitments of the [Delivery Plan](#), as well as our [KPIs](#).

## Continuous improvement

Our approach has embedded an ethos of evolving improvement, applying rigour and challenge to how we work, empowering our people to lead and drive new ways of working. Our Continuous Improvement Framework is another aspect of our agile mindset, constantly looking for opportunities to work smart, reflect and learn.

In response to diminishing financial resources, we have initiated a series of 'Redesign Sprints' to provide an enhanced focus on services to ensure they can be delivered as efficiently as possible. Changes to service delivery have already saved £1.5m in the last year and the methodology will require services to consider benchmarking, processes, technologies and delivery models. The approach will be managed in line with our robust benefits realisation and programme management frameworks to ensure that changes drive real value.

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*"Performance levels are generally meeting or exceeding target and performance compares favourably with comparable councils both locally and nationally." LGA Peer Challenge*

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## 2. How we plan to take advantage of technology and make better use of data

### Using data to drive productivity

Over the last four years, we have achieved a major step up in how we manage and utilise business intelligence to drive enhanced performance and strengthen governance. Our approach is focused on deriving maximum value from the insight provided. This data is used to inform decision making, manage service design and performance and identify challenges, ensuring we maximise our resources.

To further improve service design and use of resources, we have adopted a benchmarking insights tool that assesses the level of individual services delivered against the cost-per-head and geographical and statistical neighbours, as well as national comparators. It provides a three-dimensional view of our income and spend by category; the outcomes of that spend, and our socio-economic context. This has informed our data-led approach to prioritisation in the process of ongoing service redesign and enabled us to identify the authorities with the best service outcomes; in similar socio-economic contexts and their spend on services.

#### **Case study: Customer Experience Strategy**

Our strategy focuses on designing services to empower customers to help themselves through new and efficient ways, and is digital by design. Technology and insight are crucial to our approach. Our aim is to make our services as convenient and responsive as possible. Where appropriate, we make the best use of technology to help us deliver more efficient and cost-effective solutions, allowing us to focus on people who need support. We will also use customer insight and data to identify and deliver ongoing improvements to our services.

#### **Case study: Housing**

Building on the reduction in street homelessness achieved during the pandemic, the service needed to rise to meet future challenges and tackle the evolving financial pressures. Informed by data, best practice, local needs, customer, stakeholder and staff feedback, the model was transformed. The objectives were to create a more resilient team that empowers partners to increase capacity, focuses on prevention and maximises housing options for residents, whilst reducing costs to the council. The outcomes have driven productivity, to create a service with the customer at its heart and that operates in a performance-driven, outcome-led, cost-effective way.

## Exploring the opportunities of AI

We recognise the opportunities AI offers for the transformation of local government, and our current projects include the implementation of the first phase of an AI solution in our Customer Service Centre, to implement an AI chatbot and related phone solution. This has enabled us to reduce costs and increase the accuracy of call transfer from c.65% to over 99%. We are also exploring if and how AI could be leveraged in other areas of

council activity, such as communications and meeting administration. The council is actively engaging in research to understand the benefits versus the capital and revenue outlay of procuring AI solutions.

### 3. Our plans to reduce wasteful spend within our organisation and systems

We do not consider our spend within our organisation and systems as wasteful. We have a team of 213 staff and a budget of £14.911 million which is subject to significant external pressures. We achieved savings of £3.2m in 2024/25, and our expected budget gap has increased from £2.000m in 2024/25, to £3.000m by 2026/27.

#### Robust budget management

Our strategic framework ensures our commitments to delivery are directly linked to our resources, which are underpinned by clear budget principles. In 2024/25 we developed a robust and focused three-year savings plan to address our budget challenges. We have analysed every part of our expenditure, focusing on generating savings or income, and forensically examining all our contracts. Simultaneously, we are undertaking a comprehensive review of our capital programme to continue to deliver our ambitions, whilst keeping borrowing costs to a minimum.

A good indication of our financial management approach is the very early warning of our budget pressures, generated by the rigour by which we monitor budgets. This gave us the time to plan and implement some early interventions, including recommendations on fees and charges; a recruitment freeze; minimising the use of agency staff and consultancy; delivering contract procurements within existing budgets; and identifying opportunities to stop or pause non-essential initiatives. Implementation of the commitment to multi-year settlements for local government will enable us to plan our resources with greater certainty and we would welcome this approach for the 2025-26 settlement.

#### Case study: Town Hall Quarter

The Town Hall Quarter is a ten-year, multifaceted regeneration programme, which includes a repurposed Town Hall. Our approach to agile has enabled us to reduce our accommodation requirements by 75%, saving £300k. The accompanying decarbonisation works will generate an estimated combined reduction of 50% on gas and 32% on electricity across the Town Hall and neighbouring Colosseum, representing a significant saving in resources.

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*“WBC is not complacent about its financial position or its financial management arrangements and recognises that, in common with the whole local government sector, it is entering financially challenging times”. LGA Peer Challenge*

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### 4. The barriers preventing progress that the government can help reduce or remove.

Whilst the council achieves significant activity with the limited resources available, there are some clear areas that incur unnecessary expenditure and resource allocation. These include:

- The number of formula-based revenue grants with separate reporting requirements – it would be more efficient to roll all specific grants into a single provision and delivered through multi-year settlements;
- The wide range of separate revenue and capital grants with onerous bidding processes;
- Complicated and inconsistent processes for submitting data returns to government;
- The lack of join-up between government departments on issues such as housing;
- Requirements to place notices in newspapers or issue written copies of routine notices;
- Excessive information required in annual accounts or under the transparency code;
- Statutory overrides, such as the requirement to value assets for accounts every year;
- Regulatory bodies seeking ‘to the letter’ compliance with their statutory codes.

There is also an insufficient focus on prevention across the public sector, most notably in relation to health, which suffers from a lack of systems thinking that includes local government. This leads to resources being concentrated in reactive services and costs the public sector significantly more overall.