

Draft Commercialisation and Investment Strategy

“For the right reasons, and in the best way, making money for the good of all Team Caerphilly”

Forward

The “#TeamCaerphilly Better Together” Transformation Strategy sets out the core principle of its new operating model that the Council has a Social Heart and a Commercial Head.

The ambitions are high, the Council is looking for strategic investment opportunities, collaboration with like-minded partners and ideas to help underpin the new operating model and support the Place Shaping Agenda. Council is forward looking and forward thinking, looking to create “Profit with a Purpose” so that we can remain resilient to changing environments whilst continuing to deliver essential services, with a well-managed risk appetite. CCBC does already operate in commercial markets as part of Tourism and Infrastructure service delivery models, and is now looking to take a strategic view of commercial activities to generate additional income, drive forward an entrepreneurial culture, protect and grow core services and to support the regeneration of the county borough.

This approach is underpinned by the commitments made by the council’s Cabinet to protecting jobs and services, build on the council’s reputation as innovative and high performing, and ensure value for money for our residents.

Recent events in 2020, and the approach of a Brexit that is unclear mean now, more than ever, we need to be working tirelessly towards creating a sustainable financial future for the Council.

Vision & Purpose

Team Caerphilly Transformation Strategy sets out the vision for the future of the authority which is to *create capacity and foresight to develop solutions to some of the county borough’s biggest challenges, ensuring the Council understands and responds to the changing needs and priorities of our communities.*

A key element of the Transformation Strategy is the development and implementation of this, the Council’s first Commercial & Investment Strategy. In delivering this strategy we will expect all our staff and partners to demonstrate commitment to our core values whilst balancing the need to generate additional income to protect our services. The commercial principles upon which we have agreed are:

- ◇ We will look in all directions for commercial and investment opportunities, demonstrating our commitment to **innovation** and **collaboration** by having an open learning environment and launching the Licence to Innovate scheme.
- ◇ We will become a dynamic organisation, supporting our **trusted** staff and partners to make the best decision through open consultation, creating an agile and risk managed environment.

- ◇ Our customer focus will remain a key priority, building on the strong, trusted and reliable brand of the Council by creating new **connections** and ideas which help sustain our core services and create a **resilient** financial future.
- ◇ The governance and evaluation frameworks for commercial and investment ideas will uphold the **open and transparent** values of the Council, as well as ensuring all ideas understand the need to create **Profit with a Purpose**.

Aims and Priorities

This Commercial and Investment Strategy is driven by 6 strategic aims which are linked to the 3 pillars of the Team Caerphilly Strategy:

1. Developing Proud & Trusted Staff

- Proactive and positive engagement with our staff to grow commercial and entrepreneurial skills via training and opening the door to innovation through the Licence to Innovate scheme.
- Creating clear and transparent charging policies for all our customer, internal and external, ensuring legal, financial and regulatory compliance

2. Improving the Way We Work

- Maximise income opportunities of the Council's estate and assets by making strategic investments with a significant return which support and improve the economic and social regeneration of the county borough
- Design and deliver an agile, intuitive approval process for investment: balancing the need to operate commercially in a public sector setting with the knowledge that we will need to learn lessons along the way.

3. Enhancing our Relationships with our Partners & Communities

- Collaborate with partners who share our ambition and values to put the best interest of our communities at the heart of everything we do, aiming to become a "Partner of Choice".
- Only develop investment opportunities which support the Council's adopted Well-being Objectives as outline in the Corporate Plan 2018-2023 and which demonstrate a "social heart" outcome

We hope to meet these aims, in the first instance by focussing on the following priorities following adoption of this Commercial & Investment Strategy:

1. Develop a commercial skills and change management training programme to enable and support our staff to drive the required culture change.
2. Work on the Corporate Recovery thematic areas and ensure that commercial thinking and practises are embedded into services as they begin to review their service offerings and decision-making processes.
3. Consider investment opportunities which provide good financial return but also support key strategic aims such as Decarbonisation Strategy
4. Deliver our services more efficiently, by removing system waste while striving to improve customer outcomes linked to the Transformation Strategy service reviews and innovation agenda.
5. Explore any commercial, income generating opportunities or innovative ideas which will boost productivity using seed money allocated by directorate. The Transformation team will deliver a "Licence to Innovate" scheme allowing all

members of staff to bring forward ideas which will be assessed and approved in a robust, transparent and timely manner. The assessment panel will report directly into the Regeneration Board providing political input and scrutiny in a timely manner.

6. Seek to improve our collaborative opportunities with public sector or private partners who share our commercial mind and social heart ethos.
7. Refreshing and develop policies which seek to set out our ambition to explore opportunities to make our assets work harder for us, for example ensuring investments align with the principles in the Asset Management Policy (Land & Property).

How will we do this?

We will invest in training our staff to develop ideas and to manage change, we will seek ideas by creating an innovative and entrepreneurial culture where staff are trusted and empowered to make changes, supported by a robust governance framework.

Transformation Team acting as the Project Coordination Group with a Head of Service will:

- Develop the Licence to Innovate Scheme as part of the Regeneration Board.
- Create a Licence to Innovate Assessment Panel formed of Head of Service and key transformation managers, Equalities and other staff in order to assess ideas.
- Support staff and Heads of Services with project creation, operation and monitoring and delivery.
- Manage the allocation of seed monies requesting approval and provide reporting on allocations, on behalf of the Regeneration Board, and track progress of projects.
- Act as the first stage in assessing ideas using robust assessment methodology to determine which ideas to refer on for approval and working with staff on those which fall below the minimum standard.

Leadership Group and Management Network will:

- Allow staff the freedom to test ideas, within agreed guidelines, accepting that not all will achieve the desired outcomes, but they will all offer learning opportunities.

The Regeneration Board will;

- Seek guidance on the commercial risk appetite of political leadership of the Council in relation to specific ideas where relevant.
- Provide guidance on strategic commercialisation projects which arise and are being progressed by service areas.
- Refer projects through Scrutiny and Cabinet for guidance and decision making.
- Provide support in resource allocation to pop up groups to help develop ideas and business cases for service areas.

- Monitor strategic risks in project delivery and ensure the programme of work reflects a managed risk appetite.

In recognising the need to become more agile in our decision making we are aiming for a **one month turn around** for local pilot ideas from idea generation to approval: strategic projects will need significantly longer timescales.

What will success look like?

1. 10% of relevant staff trained on commercial skills or change management.
2. A robust but agile governance framework including evaluation methodology for staff to generate ideas, and to turn these into business plans.
3. The Licence to Innovate scheme is launched.
4. Reporting mechanisms and forward plan in place to track ideas from inception to implementation or refinement, ensuring full transparency with staff and partners.
5. 100 ideas generated, a number of which have travelled through the Licence to Innovate Scheme in first 12 months.
6. Revised fees & charges regime linked to market research and legal conditions.
7. A reduction, or an approved and evidence backed plan for reduction, in Council's budget for non-essential and discretionary services.
8. A number of collaborative opportunities being explored as part of commitment to becoming Partner of Choice.

High Level Action Plan 2020-2023

No.	Action	Political Officer/Lead	Timescale
1	Commercialisation and Investment Strategy adopted	Cllr Morgan/Transformation Manager Commercial	November 2020
2	Launch Licence to Innovate Scheme	Transformation Team	January 2021
3	Develop commercial skills and change management training modules and begin delivery to management tier	Transformation Manager – Commercial /Head of HR	January 2021
4	Commence Review of Fees & Charges, ensuring tradeable services are supported by thorough understanding of whole life costs as part of the decision to commercialise	Transformation Manager – Commercial	March 2021
5	Register of commercially viable assets	Section 151 Officer	Winter 2020
6	Community Asset Transfer Policy agreed	Head of Business Improvement	October 2020
7	Refresh Commercial and Investment Strategy	Cllr Morgan/Transformation manager – Commercial	November 2021
8 9	Review of all grant income and management processes	Section 151 Officer	End 2020
10	Consider nominations for awards for staff through the Striving for Excellence.	HR/Transformation Team	2020
11	Advertising and Sponsorship Policy developed and implemented	Transformation Manager – Commercial	2020
12	Land assets are being used for green energy generation	Director of Communities	2022