



## **CABINET – 9TH DECEMBER 2020**

**SUBJECT: COMMERCIAL AND INVESTMENT STRATEGY**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

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### **1. PURPOSE**

- 1.1 The attached report was considered by the Policy and Resources Scrutiny Committee on 10<sup>th</sup> November 2020. The report outlined to Members the draft Commercial & Investment Strategy and associated action plan detailing the priorities for this work stream for the following 12 months.
- 1.2 The report sought the views and comments of the Policy and Resources Scrutiny Committee on the draft Commercial & Investment Strategy and associated plan prior to submitting and presenting the information to Cabinet for endorsement on the 9<sup>th</sup> December 2020.
- 1.3 The report also sought the views and comments of Members on the governance framework and allocation of seed money to launch the Licence to Innovate scheme, prior to consideration by Cabinet on the 9<sup>th</sup> December 2020.

### **2. SUMMARY**

- 2.1 The Scrutiny Committee were advised that the Council's draft Commercial & Investment Strategy was attached at Appendix 1 of the report and the action plan forms the latter part of the strategy.
- 2.2 The Commercial & Investment Strategy has been developed to support the aspirations of the #TeamCaerphilly - Better Together Transformation Strategy, adopted by Cabinet on the 12<sup>th</sup> June 2019, which outlines the aims to develop commercial ideas underpinned by the 'Social Heart and Commercial Head' principle.
- 2.3 The Commercial & Investment Strategy includes a number of key aims, priorities and details on how these will be met and how we will monitor progress and is underpinned by the 'Profit for Purpose' vision.
- 2.4 The action plan includes the initial list of priorities for the Commercial & Investment Strategy but also notes that this will change and need to be flexible over time. The Strategy also lays the foundations for creation of the Licence to Innovate scheme.

### 3. **SCRUTINY COMMITTEE COMMENTS**

- 3.1 The scrutiny committee referred to the Regeneration Board, which has cross party membership which have the opportunity to influence future proposals. Members sought detail of the impact of the Coronavirus Pandemic upon the work of the Transformation Managers and were advised that the whole Policy Team had been heavily involved in the provision of the Buddy Scheme and the changes made to service delivery across the council had provided an opportunity to learn how services can be provided in different ways.
- 3.2 Members sought clarification on whether the seed money for the licence to innovate scheme would be used to offer financial incentives for staff and were advised that staff are motivated by the desire to improve services and the seed money was intended to kick start some schemes or to allow the feasibility to be explored . The scrutiny committee asked for additional information on what success will look like, where the report listed 'revised fees & charges regime linked to market research and legal conditions.' Members were advised that instead of a standard % being applied to increase charges, as is the case in many local authorities, this would look at what the market will accept with Heads of Services having a framework to work within.
- 3.3 The scrutiny committee also sought clarification on the 'reduction, or an approved and evidence backed plan for reduction, in Council's budget for non-essential and discretionary services.' Members were advised that this is about non-discretionary services generating income and if we can generate income to make services resilient enough to protect them. However, it was stated that in some instances the council may need to consider if it is appropriate to provide a service if it is available elsewhere.
- 3.4 Members asked for detail on the Land Assets to be used for Green Energy Production listed in the High-Level Action Plan, particular reference was made to the energy used at Ty Penallta and if a scheme would be viable at this location. The scrutiny committee were advised that the land assets programme sits within the Regeneration Team who are looking at all council owned land that has potential green energy production. Members also suggested that a notable omission within the Equalities Impact Assessment under service users were Residents, this was noted and the committee were advised that any outputs from the strategy should have specific EIA's which would include residents.
- 3.5 The scrutiny committee stated that it is important that going forward any proposals have detailed cost implications showing the commercial imperative for any investment proposals. Members were advised that any proposals will be have fully costed business cases and will be considered by the relevant scrutiny committee. However, this report is the starting point for this strategy with the proposal to allocate £50k seed money to begin the process and examples of some of the initial ideas submitted were outlined. Members asked how much money was available in the invest to save budget and were informed that circa £500k is currently available.
- 3.6 Members asked for further detail on the 10 corporate service reviews and it was explained that these have been allocated to heads of service and their progress will depend upon the type of review and workloads, and it is hoped that these will be completed by March 2021. The project plans that come out of the reviews will however take much longer, it was suggested that the proposed workshop for all Members in January could provide more detail on each of these reviews.

#### 4. **RECOMMENDATIONS**

- 4.1 Following consideration of the report Members unanimously endorsed the following recommendations to Cabinet: -
  - 4.1.1 To approve a £50k allocation of seed money from Education & Corporate Services reserves to progress ideas and concept.
  - 4.1.2 To agree that a core budget allocation for this initiative will need to be considered as part of the 2021/22 Budget setting process.
  - 4.1.3 To agree that the seed money will be allocated by the Regeneration Board, following the assessment panel process (as per the draft process flow for the licence to innovate scheme set out in appendix 3 of the report).

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Appendices: Report to Policy and Resources Scrutiny Committee 10<sup>th</sup> November 2020 – Agenda Item 8