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25<sup>th</sup> January 2016

Dear Sir/Madam

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE**

A meeting of the above mentioned Committee has been arranged to take place on **TUESDAY 2<sup>nd</sup> FEBRUARY 2016** at **6.00 pm** in the **Committee Room**, District Council House, Lichfield, to consider the following business.

Access to the Committee Room is via the Members' Entrance.

Yours faithfully

*R. K. King*

Strategic Director

**To: Strategic (Overview and Scrutiny) Committee**

Councillors Strachan (Chairman), Tittley (Vice-Chairman), Bamborough, Mrs Barnett, Constable, Drinkwater, Miss Hassall, Humphreys, Marshall, Matthews, Powell, White and Mrs Woodward.



## AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. To approve as a correct record the Minutes of the meeting held on the 17<sup>th</sup> November 2015 (copy attached)
4. Work Programme and Forward Plan (copy attached)
5. Money Matters : 2015/16 Review of Financial Performance against the Financial Strategy (copy attached)
6. The Medium Term Financial Strategy (Revenue & Capital) 2015-18 (MTFS (R&C) 2015-18) (to follow)
7. Strategic Plan 2016-2020 (copy attached)
8. Strategic Plan 2016-20 - Annual Action Plan 2016/17 (copy attached)
9. Directorate Top 10 2016/17 (copy attached)
10. Final report on the F4F Review – Creating a Corporate Council (copy attached)
11. Overview & Scrutiny Review (copy attached)

Briefing Papers to be issued separately:

None

\*Briefing Papers were introduced after the Overview and Scrutiny Committee Co-ordinating Group requested that the length and volume of agendas be addressed. Briefing papers, which are intended to provide Members with information on relevant issues, are an alternative to placing items on the Agenda. If Members wish a paper to be discussed it can be included on the Work Programme and scheduled for a future meeting.





## **STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE**

**17<sup>th</sup> NOVEMBER 2015**

### **PRESENT:**

Councillors Strachan (Chairman) Tittley (Vice-Chairman) Mrs Barnett, Constable, Drinkwater, Miss Hassall, Marshall, Matthews, Powell, White, and Mrs Woodward.

(In accordance with Council Procedure Rule No.17 Councillors Eadie, Mrs H. Fisher, Greateorex, Pritchard and Pullen, attended the meeting)

**APOLOGIES FOR ABSENCE** were received from Councillors Bamborough and Humphreys.

### **DECLARATIONS OF INTEREST:**

Councillor Mrs Woodward declared an interest as a member of the Local Government Association Innovation and Improvement Board.

Councillor White declared an interest as the County Council Cabinet Member for Health, Care and Wellbeing.

### **MINUTES**

Subject the inclusion of Councillor Spruce as present, the Minutes of the Meeting held on 9<sup>th</sup> September 2015 were taken as read, approved as a correct record and signed by the Chairman.

**RESOLVED:** That the Minutes of the Meeting held on 9<sup>th</sup> September 2015 be approved as a correct record.

### **MONEY MATTERS 2015/16: REVIEW OF FINANCIAL PERFORMANCE AGAINST THE FINANCIAL STRATEGY**

A report was submitted on the Council's financial performance against the Financial Strategy for the period of April to September 2015 (Quarter Two) for the year 2015/16.

It was reported by the Cabinet Member that there would be a further transfer of £424,410 to General Reserves rather than the budgeted had been delayed due to the death of the tenant of one of the shops.

It was reported that following the recommendation of the Committee at the last meeting, the delegation of write off debts below £25k would be changed from the Director for Finance, Revenues and Benefits to the Cabinet Member for Finance and Democracy and Leader of the Council. It was noted that this change to the Constitution would be reported to Council.

It was asked, that as the Council Tax Collection arrears was higher than last year, if it was projected to get worse. It was reported that the figure included all precept bodies but the increase was due to changes in the Welfare reforms and was a national trend not just within the District. It was noted that the situation could get more difficult over time.

Non-Domestic Rates arrears was then discussed and it was reported that a company had applied to the Council for a payment deferment which was considered by the Cabinet Member for Finance & Democracy and the Leader of the Council. It was reported that it was granted based on the business case and information presented by the company and was already being paid back. It was noted by the Committee that businesses were more proactive in

looking at ways to reduce their rates and appeals were now part of the norm. Members welcomed the news that the situation was monitored closely with month by month projections being produced. The Committee felt that although the District Council could not directly influence rates as they were done by the Valuations Office Agency, it could lobby government to ensure the impact on Local Authorities was known.

When asked, it was reported that there was a duty to maintain reserves and it was prudent to increase them where possible. It was noted that the Government's Financial Settlement would not be known until after Christmas, although it was known that the Department for Communities and Local Government had agreed a 30% reduction in their budget.

**RESOLVED:** (1) That the report be noted; and

(2) That the continuation to closely monitor and manage the Medium Term Financial Strategy (Revenue and Capital) 2015-18 (MTFS) (R&C) 2015-18) by Leadership Team and Cabinet Member be noted.

### **MID YEAR PERFORMANCE REPORT – ONE YEAR ACTION PLAN 15/16 FOR DEMOCRATIC & LEGAL AND FINANCE, REVENUES & BENEFITS DIRECTORATES**

A report on progress against the activities and projects set out in the Directorates One Year Action Plan for 15/16 was considered by the Committee. It was noted that the statistics presented within the report were up to the 30<sup>th</sup> September 2015.

It was asked that as the New Homes Bonus scheme was not set in stone, whether this would cause problems in the future. It was reported that it was a scheme from the coalition government and Lichfield District Council had been very successful in building homes and receiving New Homes Bonus. It was noted that there had been discussions at government about reviewing the scheme and it would cause difficulties at the District Council if the payments ceased.

**RESOLVED:** That the report be noted;

### **STRATEGIC PLAN 2016-20 UPDATE**

Detailed consideration was given to the progress made in developing a new Strategic Plan for the Council. It was reported that the Staffordshire Intelligence Hub had been commissioned to develop an evidence base for the new Plan and this had been used to inform the snapshot sections underpinning each priority. It was also reported that the views of the Committee had been taken into account when drafting the Plan and efforts had been made to use plain language and keep the overall document short and focused including a summarised 'plan on a page'.

It was reported that taking into account the evidence base and new administration's Manifesto, four priorities had emerged, which in turn contributed to an overall vision for the District Council over the next four years. Three consultation focus groups had been carried out and officers had attended an event organised by Staffordshire Council of Voluntary Youth Services to ensure the views of young people were taken into account along with residents, Members and staff.

Overall, the Committee felt that the draft Strategic Plan was very well written and were pleased to see that the comments made at the previous meeting had been taken on board.

Members then made specific comments regarding the draft Plan and consultation process, suggesting that engagement with the business and voluntary sectors was important as they

had a significant role to play in the delivery of the Plan. It was noted that a survey of businesses was underway and that the results would be fed into the document. Officers would explore the possibility of a specific consultation with the BID and Burntwood Business crew.

It was suggested that the inclusion of locality commissioning should be reviewed given current uncertainties about the future financial contribution to be made to the locality commissioning budget by the County Council and the health service.

The important role of volunteers and the importance of supporting them was discussed (although it was acknowledged that there are examples of small communities taking responsibility for getting things done without needing external assistance).

It was requested that the description for rural areas be reconsidered as many were now small towns. It was reported that the definitions of city, town and rural communities had been based on the Local Plan but it was recognised that some villages have more amenities than others.

The Committee felt that the Plan should be realistic as well as aspirational without raising expectations too much. Members requested that the value 'continuous Improvement' be reconsidered as it may not be possible / desirable to continuously improve all aspects of council service delivery eg. some services may cease during the course of the Plan which in turn would not be seen as improvement by residents. It was suggested that the term adaptive (as in 'strong and adaptive Council') be substituted. It was also suggested that reference be made in the Plan to the pressures faced by Local Authorities.

It was asked if there had been any evaluation of the last Strategic Plan and it was reported that the annual One year Action Plans were produced to review the progress of the Plan. Feedback on the overall content and approach of the previous Plan was also being used to inform the next Plan.

**RESOLVED:** That the draft Strategic Plan 2016-20 be noted and comments recorded.

#### **FIT FOR THE FUTURE (F4F) PROGRAMME: CREATING A CORPORATE COUNCIL**

Members received a report updating them on the activity delivered and planned as part of the Fit for the Future: Creating a Corporate Council project.

It was reported that the project had a number of strands of work attached to it and each of those areas would report back to a relevant Committee separately.

The Committee welcomed the project and felt it was an evolving piece of work.

It was asked if there was an end point was envisioned for the Fit for the Future (F4F) programme. It was reported that there would always be a need to ensure the Authority was best placed to tackle any challenges and so there should always be a mechanism to review the way services are delivered. It was then asked if there would be a point where it would be considered whether the District Council should cease existing. It was reported that the F4F reviews required that all alternative ways of delivering the service be investigated but there would need to be an appetite from wider partners to alternative forms of local government were to be adopted.

**RESOLVED:** That the report be noted.

## **FORWARD PLAN AND WORK PROGRAMME**

Members considered the Work Programme and Forward Plan and it was requested that Combined Authorities remained on the work programme to allow for updates on other opportunities within Staffordshire and with the West Midlands Combined Authority.

It was noted that the Comprehensive Spending Review (CSR) would be announced before the next meeting and the question was raised whether a paper should be received on its proposals. It was proposed that issues of impact from CSR would be reported in the budget papers.

The Forward Plan was then discussed and it was requested that the definition of Affordable Housing Policy be sent to Members. It was then discussed that the housing mix of developments should be considered as it had been noted earlier in the meeting that residents were getting older and suitable homes should be available for them. It was suggested that there could be an Older Persons Supplementary Planning Document to aid this requesting that retirement villages and bungalows be built. It was reported that the Council did negotiate with developers on types of properties needed in the area. It was agreed that as this came under the remit of the Economic Growth, Environment and Development (Overview & Scrutiny) Committee, these comments be passed to the Chairman, Councillor Cox.

It was noted that the Civic Function Review report was no longer being considered by Cabinet at their December meeting and it would be confirmed when it would be.

**RESOLVED:** That the Forward plan and Work Programme be noted.

(The Meeting finished at 7.40 p.m.)

CHAIRMAN

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE DRAFT WORK PROGRAMME FOR 2015-16 (v2)**

Item	9 June 2015	15 Sept 2015	17 Nov 2015	2 Feb 2016	Details/Reasons	Link to 2015/16 One Year Action Plan	Officer	Member Lead
<b>Policy Development</b>								
Terms of Reference	✓				To remind the Committee of the terms of reference and suggest any amendments		RK	
Future arrangements for Chairman's Car	✓	✓			To scrutinise the options for new arrangements for the Chairman's transport on the termination of the current car lease agreement  To report findings and recommendations of the Civic Function Task Group		DT	
Fit for the Future Programme: Programme update and overview	✓				To note progress of the Programme to date, approve the next phase of reviews, and endorse changes to programme governance arrangements		P Clarke	
Strategic Plan 2016-2020	✓		✓	✓	To note progress on developing the new Strategic Plan (June meeting) To consider emerging strategic priorities and outcomes (November meeting) To approve draft Plan (February meeting)	Producing a new Strategic Plan is one of the activities itemised in the Annual Action Plan 15/16	HT	

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE DRAFT WORK PROGRAMME FOR 2015-16 (v2)**

Item	9 June 2015	15 Sept 2015	17 Nov 2015	2 Feb 2016	Details/Reasons	Link to 2015/16 One Year Action Plan	Officer	Member Lead
End of Year Performance Overview for 2014/2015	✓				Scrutinise performance against the projects and activities set out in the One Year Action Plan 14/15 which fall within the remit of the Strategic O&S Committee	A Well Managed Council - We'll maximise the council's performance, innovation and efficiency, so we use our resources well and deliver good quality and better value services	RK	
Combined Authorities	✓	✓						
Corporate Council F4F project			✓		To be introduced to the review and scrutinise the PID		DT/ P Clarke	
Community Consultation		✓			Review how the consultation outcomes have been used to inform plans and policy		HT	
Review of Overview & Scrutiny							DT	

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE DRAFT WORK PROGRAMME FOR 2015-16 (v2)**

Item	9 June 2015	15 Sept 2015	17 Nov 2015	2 Feb 2016	Details/Reasons	Link to 2015/16 One Year Action Plan	Officer	Member Lead
Council's Financial Performance for 2014/15		✓			Scrutinise the Council's performance against the Medium Term Financial Strategy	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	
Statement of Accounts 2014/15		✓			Scrutinise the Statement of Accounts	A Well Managed Council - We'll maximise the council's performance, innovation and efficiency, so we use our resources well and deliver good quality and better value services	JK	
Treasury Management Outturn & Prudential Indicators for 2014/15		✓			Scrutinise performance of the Treasury Management Strategy	A Well Managed Council - We'll maximise the council's performance, innovation and efficiency, so we use our resources well and deliver good quality and better value services	JK	
Half yearly performance report for 2015/16			✓		Scrutinise performance against the projects and activities set out in the One Year Action Plan 15/16 which fall within the remit of the Strategic O&S Committee	A Well Managed Council - We'll maximise the council's performance, innovation and efficiency, so we use our resources well and deliver good quality and better value services	RK/JK	
Half-yearly report on financial performance for 2015/16			✓		Monitor the position in relation to the Medium Term Financial Strategy for 2014/2015	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE DRAFT WORK PROGRAMME FOR 2015-16 (v2)**

Item	9 June 2015	15 Sept 2015	17 Nov 2015	2 Feb 2016	Details/Reasons	Link to 2015/16 One Year Action Plan	Officer	Member Lead
Half Year Report on Treasury Management Services and Projected Prudential Indicators 2015/16			✓		Monitor Treasury Management activities and Prudential Indicators	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	
Medium Term Financial Forecast for Revenue /Capital 2015/18				✓	Scrutinise the Council's resource plans in relation to the delivery of the Strategic Plan priorities	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	
Treasury Management Strategy Report				✓	Outline District Council's strategy to manage investments and banking and control risks	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	
One Year Action Plan 2016/17				✓	This will accompany the three year medium term financial forecast for Revenue/Capital and reflect the one year actions needed to deliver the Plan for Lichfield District	A Well Managed Council - We'll maximise the council's performance, innovation and efficiency, so we use our resources well and deliver good quality and better value services	HT	
Third Quarter Review of Performance against Financial Strategy 2015/16				✓	Scrutinise financial performance and the revised estimate for the full year.	A Well Managed Council - We'll keep a tight control and management of the council's finances	JK	

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE DRAFT WORK PROGRAMME FOR 2015-16** (v2)

Item	9 June 2015	15 Sept 2015	17 Nov 2015	2 Feb 2016	Details/Reasons	Link to 2015/16 One Year Action Plan	Officer	Member Lead
Briefing Papers								

# LICHFIELD DISTRICT COUNCIL

## FORWARD PLAN

Updated: 22.01.2016

Effective for the Period 01.02.2016 – 31.05.2016

Representations in respect of all the matters shown should be sent in writing to the contact officer indicated at Lichfield District Council, District Council House, Frog Lane, Lichfield, Staffs. WS13 6YU no later than one week before the decision is due to be made.

Copies of documents can also be obtained by contacting the relevant Officer.

Facsimile: 01543 309899; Telephone: 01543 308000

- Key decisions are:
1. A decision made in connection with setting the Council Tax
  2. Expenditure or savings if they exceed £50,000
  3. A decision which significantly affects the community in two or more wards

MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup>	CONFIDENTIAL YES/NO <sup>(8)</sup>	DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup>	DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup>	CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW & SCRUTINY (If no consultation has been undertaken please briefly explain why)	DOCUMENTS AVAILABLE <sup>(5)</sup>	CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup>
Risk Management Update	No		Audit Committee 26/01/2016			<b>OFFICER:</b> Mrs J Kitchen (01543) 308770  <b>CABINET MEMBER:</b> Councillor C Spruce (01543) 258120

\* DENOTES KEY DECISION

MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup>	CONFIDENTIAL YES/NO <sup>(8)</sup>	DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup>	DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup>	CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW & SCRUTINY (If no consultation has been undertaken please briefly explain why)	DOCUMENTS AVAILABLE <sup>(5)</sup>	CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup>
*Proposal for changes to the management structure of Lichfield District Council	No	Approval of proposals for formal consultation to restructure the top three tiers of management in Lichfield District Council	Cabinet 28/01/2016  Council 23/02/2016	Cabinet on 28 <sup>th</sup> January Employment Committee on 11 February		<b>OFFICER:</b> Diane Tilley (01543) 308001  <b>CABINET MEMBER</b> Leader – Mike Wilcox (01543) 309609
*The approval of the proposed cinema operator as tenants of the cinema within the Friarsgate Development	Yes	To agree the proposed cinema operator based on the proposed letting terms	Cabinet 28/01/2016			<b>OFFICER:</b> Mrs H Bielby (01543) 308252  <b>CABINET MEMBER:</b> Councillor I Pritchard (01543) 472232
*Strategic Plan 2016-2020	No	To approve the Strategic Plan	Cabinet 09/02/2016  Council 23/02/2016	Consultation with Strategic O&S in November 2015 and January 2016	Final draft Strategic Plan	<b>OFFICER:</b> Mrs H Titterton (01543) 308700  <b>CABINET MEMBER:</b> Councillor D Pullen 07817 105542

\* DENOTES KEY DECISION

MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup>	CONFIDENTIAL YES/NO <sup>(8)</sup>	DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup>	DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup>	CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW & SCRUTINY (If no consultation has been undertaken please briefly explain why)	DOCUMENTS AVAILABLE <sup>(5)</sup>	CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup>
*Money Matters Reports: Review of Financial Performance against the Financial Strategy – April to November 2015	No		Cabinet 09/02/2016	Strategic (O&S) Committee 02/02/2016		<b>OFFICER:</b> Mrs J Kitchen (01543) 308770  <b>CABINET MEMBER:</b> Councillor C Spruce (01543) 258120
*Medium Term Strategy (Revenue and Capital 2016-19 (MTFS) (R&C) 2016-19	No		Cabinet 09/02/2016	Strategic (O&S) Committee 02/02/2016		<b>OFFICER:</b> Mrs J Kitchen (01543) 308770  <b>CABINET MEMBER:</b> Councillor C Spruce (01543) 258120
*Disposal of property acquired through compulsory Purchase	No	Agree to and method of disposal of the Property	Cabinet 09/02/2016			<b>OFFICER:</b> Mr C Gibbins (01543) 308702  <b>CABINET MEMBER:</b> Councillor C. Greatorex (01543) 416677

\* DENOTES KEY DECISION

<b>MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup></b>	<b>CONFIDENTIAL YES/NO <sup>(8)</sup></b>	<b>DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup></b>	<b>DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup></b>	<b>CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW &amp; SCRUTINY (If no consultation has been undertaken please briefly explain why)</b>	<b>DOCUMENTS AVAILABLE <sup>(5)</sup></b>	<b>CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup></b>
Withdrawal of Borrowcop Lane Area Supplementary Planning Document (SPD)	No	To agree to the withdrawal of the SPD	Cabinet 09/02/16  Council 23/02/2016	Reported to EG,E and D O&S in January 2016		<b>Officer:</b> Craig Jordan (01543 308202)  <b>Cabinet Member:</b> Councillor I Pritchard (01543) 472232
*Money Matters Reports: Medium Term Financial Strategy (Revenue and Capital) 2016-19 (MTFS) R&C) 2016-19	No		Council 23/02/2016			<b>OFFICER:</b> Mrs J Kitchen (01543) 308770  <b>CABINET MEMBER:</b> Councillor C Spruce (01543) 258120
*Council Tax Resolution	No		Council 23/02/2016			<b>OFFICER:</b> Mrs J Kitchen (01543) 308770  <b>CABINET MEMBER:</b> Councillor C Spruce (01543) 258120

\* DENOTES KEY DECISION

MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup>	CONFIDENTIAL YES/NO <sup>(8)</sup>	DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup>	DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup>	CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW & SCRUTINY (If no consultation has been undertaken please briefly explain why)	DOCUMENTS AVAILABLE <sup>(5)</sup>	CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup>
The Civic Function – proposals for change 2016/17	No	Proposals for changes to how the Civic Function is undertaken; events attended and held and transport provided to ensure it proactively supports the delivery of the strategic priorities of the Council. To be implemented in Civic year 2016/17	Council 23/02/2016	Strategic Overview and Scrutiny Task Group reported to Committee on 9 <sup>th</sup> September 2015	Strategic Overview and Scrutiny Committee report dated 9 <sup>th</sup> September 2015	<b>OFFICERS:</b> Ms D. Tilley and Mrs J. Jones (01543 308001/3)  <b>CABINET MEMBER:</b> Councillor M. J. Wilcox (01283) 791761
*Re procurement of Planning, Building Control, Licensing, Gazetteer Management and Street Naming, Numbering software suite, Land Charges, Planning Portal Connector, National Land Information services connector	No	To approve the decision of software provider and costs for the procurement of Planning , Building Control, Licensing, Gazetteer Management and Street Naming, Numbering software suite, Land Charges, Planning Portal Connector, National	Cabinet 08/03/2016	Evaluation of tender responses	ITT and Tender documents	<b>OFFICERS:</b> Mr G Thomas (01543) 308131 Mr K Sleeman (01543) 308120  <b>CABINET MEMBER:</b> Councillor D Pullen (01543) 300075

\* DENOTES KEY DECISION

<b>MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup></b>	<b>CONFIDENTIAL YES/NO <sup>(8)</sup></b>	<b>DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup></b>	<b>DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup></b>	<b>CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW &amp; SCRUTINY (If no consultation has been undertaken please briefly explain why)</b>	<b>DOCUMENTS AVAILABLE <sup>(5)</sup></b>	<b>CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup></b>
and Public Access for Planning		Land Information services connector and Public Access for Planning				
Empty Homes Policy	NO	Approval of an Empty Homes Policy 2016	Cabinet 08/03/2016	Consultation with Community Housing and Health Overview and Scrutiny Committee 20.1.16	Report to Community Housing and Health Overview and Scrutiny Committee 20.1.16	<b>OFFICER:</b> Mr C Gibbins (01543) 308702 <b>CABINET MEMBER:</b> Councillor C Greatorex (01543) 416677
*Leisure Review: To review the current arrangement for the provision of leisure services in Lichfield District	Yes	To determine the future & shape of the Council's leisure services	Cabinet 08/03/2016	Leisure, Parks & Waste Management (O&S) Committee 14/1/16. Consultation with outside consultants, Stakeholders and Partners.	Options appraisal evidence base	<b>OFFICER:</b> Mr N Turner (01543) 308761 <b>CABINET MEMBER:</b> Councillor A Smith (01543) 4106885

\* DENOTES KEY DECISION

<b>MATTER FOR CABINET DECISION (PLEASE MARK KEY DECISIONS WITH AN ASTERIX) <sup>(1) (*)</sup></b>	<b>CONFIDENTIAL YES/NO <sup>(8)</sup></b>	<b>DECISION EXPECTED TO UNDERTAKE <sup>(2)</sup></b>	<b>DECISION TO BE TAKEN BY AND DATE <sup>(3)(6)</sup></b>	<b>CONSULTATION <sup>(4)</sup> INCLUDING CONSULTATION WITH OVERVIEW &amp; SCRUTINY (If no consultation has been undertaken please briefly explain why)</b>	<b>DOCUMENTS AVAILABLE <sup>(5)</sup></b>	<b>CONTACT OFFICER/CABINET MEMBER <sup>(7)</sup></b>
Letting of Pest Control Contract *	Yes	Approve the recommended supplier	Cabinet 08/03/2016	Options report taken to Community Housing and Health O&S Committee 7 <sup>th</sup> September 2015		<b>OFFICER:</b> Mr Gareth Davies (01543) 308741 <b>CABINET MEMBER:</b> Councillor C Greatorex (01543) 416677
Amendments to the Constitution regarding the dismissal of Statutory Officers	No		Council October 2016	Full Council		<b>OFFICER:</b> Mr R King (01543) 308060 <b>CABINET MEMBER:</b> Councillor C J Spruce (01543) 258120

1. The matter in respect of which the decision is to be made
  2. What decision the Council will be asked to make
  3. A date on which, or period within which, the decision will be made
  4. What groups of people and/or organisations will be consulted before the decision is made and how the consultation will be carried out.
  5. What background documents will be available to the person or Committee making the decision
  6. Who will make the decision, i.e. the Cabinet, Council a Cabinet Member alone, an Officer under Delegated Powers
  7. The Officer or Member who should be contacted regarding the matter under consideration.
  8. Indicate whether the report will be confidential.
- \* Denotes Key Decision

\* DENOTES KEY DECISION

### **MEMBERS OF THE CABINET**

**Leader of Cabinet**  
**Deputy Leader of Cabinet and**  
**Cabinet Member for Economic Growth, Development and Environment**  
**Cabinet Member for Leisure and Parks**  
**Cabinet Member for Housing & Health**  
**Cabinet Member for Waste Management**  
**Cabinet Member for Finance and Democracy**  
**Cabinet Member for Tourism and Communications**  
**Cabinet Member for Community**

**Councillor M. J. Wilcox**

**Councillor I. M. P. Pritchard**  
**Councillor A. F. Smith**  
**Councillor C. Greateorex**  
**Councillor I. M. Eadie**  
**Councillor C. J. Spruce**  
**Councillor Mrs H. E. Fisher**  
**Councillor D. R. Pullen**

### **MEMBERS OF THE COUNCIL**

Allsopp, Mrs J A  
Awty, R J  
Bacon, Mrs N.  
Baker, Mrs D F  
Bamborough, R. A. J.  
Banevicius, Mrs S W  
Barnett, Mrs S A  
Boyle, Mrs M G  
Constable, Mrs B L  
Constable, D H J  
Cox, R E  
Drinkwater, E N  
Eadie, I M

Eagland, Mrs J M  
Evans, Mrs C D  
Fisher, Miss B  
Fisher, Mrs H E  
Greateorex, C  
Hassall, Miss E A  
Humphreys, K P  
Leytham, D J  
Marshall, T  
Matthews, T R  
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# Money Matters : 2015/16 Review of Financial Performance against the Financial Strategy

Cabinet Member for Finance and Democracy

Date: 2 February 2016

Agenda Item: 5

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Key Decision? YES

Local Ward  
Members Full Council



## STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

### 1. Executive Summary

- 1.1 This report covers the financial performance from April to November 2015 (eight months) for the year 2015/16.
- 1.2 For the period up to November 2015, we forecast a further transfer of **£396,530** (in addition to the **£200,100** in Quarter One, **£424,410** in Quarter Two and **£122,370** related to the Housing Services Review) **TO** General Reserves, rather than the budgeted transfer **FROM** General Reserves of **£400,450**. This projected financial position based on eight months is as a result of savings totalling **£1,543,860** being included as detailed below:
  - Fit for the Future savings of **£473,770**.
  - Ongoing savings and additional income identified in 2014/15 of **£92,660**.
  - Quarter One 2015/16 projected performance of **£156,490**.
  - Quarter Two 2015/16 projected performance of **£424,410**.
  - Eight months 2015/16 projected additional performance of **£396,530**.
- 1.3 In 2016/17, the savings target of **£486,390** is projected to be exceeded by **£112,960** and will result in a further contribution to General Reserves.
- 1.4 These financial projections are based on the first eight months of the current financial year. Since the last Money Matters report was produced, the Autumn Statement 2015 has effectively changed the financial landscape for Lichfield District Council (LDC) in the medium term, principally for two main reasons :
  - A tapering and a reduction in the amount of New Homes Bonus (NHB) to be paid to Councils. This is to ensure nationally that **£800 million** of the NHB fund can be redirected to Adult Social Care.
  - RSG - the level of RSG takes account of Government's new approach, detailed above and it is to be reduced to **£ZERO** at an earlier date than originally projected. The Government's has introduced a 'Tariff Adjustment'. This adjustment reflects Government's new approach in determining Revenue Support Grant (RSG) allocations. This approach now takes into account the amount that can be raised locally through Council Tax; in practice this means that for Councils such as Lichfield which has a higher tax base, that is, more properties above the average Band D, will have less RSG. Potentially, for LDC, any further national reductions could result in a negative RSG. Government has put in place the 'Tariff Adjustment' mechanism to avoid negative RSG.
- 1.5 The Council Tax Collection Fund is projected to be in surplus by **£448,449** with LDC's share projected to be **£58,425**. The Business Rates Collection Fund is projected to be in deficit by **£1,463,340** with LDC's share projected to be **£585,336**. These balances will be accounted for in 2016/17.
- 1.6 The Capital Programme is projected to be below budget by **£465,000** in 2015/16 due to revised projections for projects such as Disabled Facilities Grants and Information and Technology investment being based on latest project plans. This will result in updates being made to the profiling of project spend to later financial years.
- 1.7 In terms of capital receipts, the remaining sale of Bore Street shops, Lichfield is proceeding at the current time.

## 2. Recommendations

- 2.1 To note the report and issues raised within.
- 2.2 To note that Leadership Team with Cabinet Members will continue to closely monitor and manage the Medium Term Financial Strategy (Revenue and Capital) 2015-18 (MTFS (R&C) 2015-18).

## 3. Background

### Revenue Budget

- 3.1 As part of leading the organisation, managers have to account to Members for their management of financial resources and for performance of the organisation, against what the Council has agreed.
- 3.2 'A Plan for Lichfield District 2012-16' approved by Council in February 2012, sets out the ambition, focus and priorities for this period. This plan includes milestones for each year, so that we can bring appropriate focus to delivery.
- 3.3 Leadership Team, together with their Cabinet Members, are responsible for delivering against the milestones for the 'Plan for Lichfield District 2012-16' and are required to report progress on this to Cabinet, enabling Cabinet as a whole to review the performance of the organisation.
- 3.4 The MTFS (R&C) 2015-18 sets out the allocation of resources and the policies and parameters within which managers are required to operate. We are required by Law to set a three year balanced Budget. The MTFS covers Revenue and Capital expenditure for the three financial years 2015-18. It was approved by Council on 17 February 2015.
- 3.5 Aspects including Community Safety, Human Rights, Financial Implications, Sustainability Issues and Risk Management are all dealt with as part of this report so have not been separately identified.
- 3.6 Since 2013/14 there have been significant changes in Local Government Finance, ranging from the Localisation of Council Tax Support, wider Welfare Reforms and local retention of an element of Business Rates. These changes introduced additional financial risks such as a major proportion (**19%**) of LDC's funding being dependent on the level of Business Rates growth or decline. Consequently, Council implemented plans and strategies to manage these financial risks. These risks, together with financial successes, challenges and future actions are shown in more detail at **APPENDIX A**.
- 3.7 Increasingly LDC is being funded by income generated locally through Council Tax, Local Business Rates, NHB and Fees and Charges. Therefore, the management of debt is a key component of the Council's funding with a key summary below (further details are shown at **APPENDIX B**) :
  - Collection performance for Council Tax has decreased by **1.04%** and is therefore consistent with the same stage of the previous financial year. Council Tax arrears outstanding are **£76,002** higher when compared with the same period for last year. The reason for this increase is the impact of Welfare and Council Tax Reforms, together with the limited options available for recovering small scale debts.
  - Collection performance for Business Rates has decreased by **1.52%** although it is largely consistent with the same stage of the previous financial year. Business Rate arrears outstanding are **£255,029** higher when compared with same period for last year. The arrears include two large liability orders of **£106,911** and **£157,115** that were issued recently.
  - The total value of invoices outstanding has increased by **£748,763**, with debt less than six months old increasing by **£678,851** and debt more than six months old increasing by **£69,912** compared to the same period last year. The increase in debts less than six months old is due to the issue of a large Section 106 invoice of **£363,000** issued on 24 November 2015 and several large invoices issued over **£10,000**.

- 3.8 Approved Fit for the Future (F4F) and other savings are detailed in the table below and have been built into the Base Budget for 2016/17 onwards :

	Approved MTFS		
	2015/16 £	2016/17 £	2017/18 £
<b>Sub total Quarter One F4F Savings</b>	<b>(351,400)</b>	<b>(312,280)</b>	<b>(326,220)</b>
Housing Services Review	(122,370)	(2,000)	(2,000)
<b>Sub total F4F Savings</b>	<b>(473,770)</b>	<b>(314,280)</b>	<b>(328,220)</b>
Ongoing savings/additional income identified in 2014/15 <sup>1</sup>	(92,660)	(92,660)	(92,660)
Quarter One 2015/16 performance	(156,490)	(84,400)	(84,400)
Quarter Two 2015/16 performance	(424,410)	(77,720)	(77,720)
Eight Months 2015/16 further performance	(396,530)	(30,290)	(30,290)
<b>Total savings : F4F, 2014/15 and performance in 2015/16</b>	<b>(1,543,860)</b>	<b>(599,350)</b>	<b>(613,290)</b>
Approved MTFS savings target	0	(486,390)	(818,190)
General Reserves position - (Increase)/Decrease	(1,543,860)	(112,960)	N/A
<b>Savings to be identified to achieve Approved MTFS savings target</b>	<b>N/A</b>	<b>N/A</b>	<b>(£204,900)</b>

- 3.9 As shown above, at the end of eight months Council needs to identify savings of **£204,900** to achieve the approved MTFS savings target. However, the MTFS (R&C) 2015-20 on this agenda updates this position following the Provisional Local Government Finance Settlement on 17 December 2015.
- 3.10 As also shown above, a savings target was not set for 2015/16; the Approved MTFS (R&C) 2015-18 assumed a contribution from Reserves of **£400,450** to balance the Budget for 2015/16 only. The reason for this was that at the time Council approved the Budget, work was ongoing to find further savings as part of F4F Reviews and efficiencies in service delivery.
- 3.11 Further F4F savings will be identified as Service Reviews, processes and initiatives continue over the medium term. When any reviews are approved by Council, relevant savings will be built into the MTFS (R&C).
- 3.12 The financial performance covering the period April to November 2015 has been reviewed and below we report our eight month projection for the full year against the Budget.

<sup>1</sup> This links to the figure of **£117,660** detailed in the 'Money Matters Report : 2014/15 Review of Financial Performance against the Financial Strategy' for Cabinet 8 September 2015. However, this figure needs to be reduced by **£25,000 to £92,660** as there is an element that has been re-classified 'F4F savings', as shown in the table above.

## The Revenue Budget on a Net Direct Expenditure Basis

Area	2015/16					
	Original Budget £	Approved Budget £	Year to Date Actual £	Projected Outturn £	Projected Variance £	● = adverse = ☑ favourable
Chief Executive	889,230	766,830	486,854	765,030	(1,800)	☑
Finance, Revenues and Benefits	2,311,520	2,288,390	2,319,405	2,294,110	5,720	●
Leisure and Parks	3,167,270	2,863,880	1,656,032	2,818,790	(45,090)	☑
Democratic, Development and Legal	1,097,170	571,170	(138,981)	392,170	(179,000)	☑
Community, Housing and Health	2,217,360	2,019,820	912,072	1,885,810	(134,010)	☑
Waste Collection	1,311,000	1,261,280	1,457,983	1,228,930	(32,350)	☑
<b>Net Cost of Services</b>	<b>10,993,550</b>	<b>9,771,370</b>	<b>6,693,365</b>	<b>9,384,840</b>	<b>(386,530)</b>	☑
Net Treasury Position	74,900	(29,500)	(46,907)	(39,500)	(10,000)	☑
Revenue Contributions to the Capital Programme	154,000	154,000	0	154,000	-	☑
<b>Net Operating Cost</b>	<b>11,222,450</b>	<b>9,895,870</b>	<b>6,646,458</b>	<b>9,499,340</b>	<b>(396,530)</b>	☑
<b>Less:</b> Transfer (from) / to General Reserve	(400,450)	727,880	0	1,124,410	396,530	☑
<b>Add:</b> Transfer to Earmarked Reserves	92,000	290,250	0	290,250	-	☑
<b>Net Revenue Expenditure</b>	<b>10,914,000</b>	<b>10,914,000</b>	<b>6,646,458</b>	<b>10,914,000</b>	<b>0</b>	☑
<b>Financed by:</b>						
Retained Business Rates	(2,105,000)	(2,105,000)	(1,234,095)	(2,105,000)	-	
Revenue Support Grant	(1,450,440)	(1,450,440)	(1,103,207)	(1,450,440)	-	
Returned New Homes Bonus	(16,000)	(16,000)	0	(16,000)	-	
Business Rates Cap	(29,000)	(29,000)	(13,466)	(29,000)	-	
Parish Local Council Tax Support	115,000	115,000	80,291	115,000	-	
New Homes Bonus	(1,539,000)	(1,539,000)	(1,160,425)	(1,539,000)	-	
Business Rates Collection Fund (Surplus)/Deficit	(131,000)	(131,000)	0	(131,000)	-	
Council Tax Collection Fund (Surplus)/Deficit	(138,000)	(138,000)	(91,781)	(138,000)	-	
Council Tax	(5,620,560)	(5,620,560)	(3,477,561)	(5,620,560)	-	

3.13 The Gross Income and Expenditure to support this table and the reconciliation of the Original Budget to the Current Approved Budget are shown at **APPENDIX C**. This gives Members more of an insight into the gross flows of Income and Expenditure expected to move through the Council within the year.

3.14 The Net Operating Cost Projected Outturn at 31 March 2016 is estimated to be better than the Approved Budget by **£396,530**. This has been generated by the following items :

Projected Variance £		Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(1,800)	Chief Executive	(1,800)	-	-	-
5,720	Finance, Revenues and Benefits	-	-	5,720	-
(45,090)	Leisure and Parks	(23,630)	(24,290)	8,830	(6,000)
(179,000)	Democratic, Development and Legal Services	(12,820)	-	(166,180)	-
(134,010)	Community, Housing and Health	(63,910)	-	(70,100)	-
(32,350)	Waste Collection Service	(350)	-	(32,000)	-
(10,000)	Net Treasury Position	(1,000)	-	(9,000)	-
<b>(£396,530)</b>	<b>Net Operating Cost</b>	<b>(£103,510)</b>	<b>(£24,290)</b>	<b>(£262,730)</b>	<b>(£6,000)</b>

**Chief Executive (£1,800) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(1,800)	Savings in Members Training	(1,800)			
<b>(1,800)</b>	<b>Total</b>	<b>(£1,800)</b>	-	-	-

**Finance, Revenues & Benefits £5,720 adverse variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
5,720	Reduction in income as a result of termination of Lichfield Garrick Audit Services SLA			5,720 <sup>2</sup>	
<b>5,720</b>	<b>Total</b>	-	-	<b>£5,720</b>	-

**Leisure and Parks (£45,090) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(16,770)	Fuel savings on Grounds Maintenance and Street Cleansing due to lower fuel prices, plus lower than anticipated spend at the Depot	(16,770)			
(9,630)	Burntwood Depot - lower than anticipated spend on utilities		(9,630)		
5,960	Under achievement on Cesspool income due to falling customer base in addition to under achievement on difficult to predict ad hoc external contract income on Grounds Maintenance			5,960	
(5,540)	Trunk Road Cleansing Reserve - the remaining balance is not required as minor works covered by own staff in conjunction with the Highways Agency	(5,540)			
23,160	Friary Grange - overspends on repairs, equipment and employee costs partly offset by increased income as a result of increased activity levels	38,360		(15,200)	
(1,560)	King Edward VI Leisure Centre - lower than anticipated spend on catering supplies		(1,560)		
(19,380)	Burntwood Leisure Centre - lower spend on utilities, supplies and services and employee costs offsetting pressures (as yet uncommitted) on repairs, in addition to over achievement on income	(8,980)	(7,400)	(3,000)	
(5,000)	Burntwood Leisure Centre - pressure on catering income offset by lower than anticipated spend on supplies	(35,500)		30,500	
(10,900)	Beacon Park - underspends on employee costs, utilities with minor overspend on supplies and services, plus over achievement on income	600	(5,700)	(5,800)	
12,710	Burntwood Parks - pressure from legal and security fees and Hospital Road, partly offset by underspending on premises in addition to over achievement on income	14,610		(1,900)	
(1,990)	Other Parks and Open Spaces - minor over spends offset by additional income	1,740		(1,730)	(2,000)
(13,550)	Insurance - lower than anticipated spend on policy costs	(13,550)			
(7,600)	Health and Safety - honorarium budget no longer required plus re-negotiated SLA agreements (half year effect for 2015/16)	(3,600)			(4,000)
5,000	Garrick - pressure on premises (ventilation system)	5,000			
<b>(£45,090)</b>	<b>Total</b>	<b>(£23,630)</b>	<b>(£24,290)</b>	<b>£8,830</b>	<b>(£6,000)</b>

<sup>2</sup> Finance were made aware of this change following the completion of 6 months Money Matters Report and were able to incorporate the change in the Medium Term Financial Strategy for 2016/17 to 2019/20 as a budget variation. Therefore, given the change is already incorporated in future years, the 2015/16 element is shown as a one off.

**Democratic, Development and Legal Services (£179,000) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(76,790)	Increase in property rental income relating to the delay in the sale of Industrial Units and Bore Street and additional income from Sale of Freehold interests			(76,790)	
(58,840)	Savings in Employee costs as a result of Maternity Leave/Vacant Posts	(58,840)			
(79,440)	Section 31 New Burden Grant (LLCR Claim) Local Land Charge Search Fees			(79,440)	
45,000	Earmarked Reserve EU Referendum Costs	45,000			
(29,200)	Capital recharges Project management Friarsgate Development			(29,200)	
7,000	Fradley Business Improvement bid Feasibility Study	7,000			
460	Lichfield BID Postage	460			
5,000	Reduction in Management Fees Gentleshaw Common			5,000	
(3,000)	Savings in Members printing costs	(3,000)			
(17,950)	Increase in Cashless Parking and Parking Fee Income			(17,950)	
(3,440)	Savings in Corporate Subscriptions	(3,440)			
32,200	Reduction in income in relation to Special Area of Conservation River Mease <sup>3</sup>			32,200	
<b>(£179,000)</b>		<b>(£12,820)</b>	-	<b>(£166,180)</b>	-

<sup>3</sup> Finance were made aware of this change following the completion of 6 months Money Matters Report and were able to incorporate the change in the Medium Term Financial Strategy for 2016/17 to 2019/20 as a budget variation. Therefore, given the change is already incorporated in future years, the 2015/16 element is shown as a one off.

**Community, Housing and Health (£134,010) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(22,620)	Old Mining College - income received from room letting and NDR refund			(22,620)	
(6,000)	Consultation and Research - budget will not spend in full this year	(5,890)		(110)	
(6,700)	Partnerships and Policy - lower than anticipated spend in a number of areas including administration and community transport in addition to income pressure on Mill Lane Link	(9,270)		2,570	
(3,660)	Community Safety - one-off income that will not be spent plus small underspend	(540)		(3,120)	
(5,530)	CRM - lower than anticipated spend plus income received that will not be needed this year	(1,040)		(4,490)	
(28,070)	Homelessness Service - expenditure down on void loss and bed and breakfast accommodation and over on hostel support, plus income is over achieving	(18,570)		(9,500)	
(15,470)	Homeless Prevention - expenditure on prevention and education lower than anticipated	(15,470)			
(13,800)	Housing Strategy and the Enabling Role - one-off income from Bromford that will not be spent plus lower than anticipated spend	(2,940)		(10,860)	
(5,850)	Other Housing Services - underspends on various budget heads plus income received that will not be needed this year	(2,800)		(3,050)	
(14,660)	Food Safety - vacancy filled at the end of Q1 plus underspends on supplies and services	(14,660)			
(11,780)	Taxi Licensing - over achievement on income offsetting pressures on expenditure budgets	3,460		(15,240)	
10,260	Contaminated Land - expenditure on new mapping and updating GIS	10,820		(560)	
(10,130)	Environmental Health Other Areas - a combination of income received that will not be needed this year plus lower than anticipated spend on expenditure budgets	(7,010)		(3,120)	
<b>(£134,010)</b>	<b>Total</b>	<b>(£63,910)</b>	<b>-</b>	<b>(£70,100)</b>	<b>-</b>

**Waste Collection Position (£32,350) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(14,000)	Trade Waste Services - new customers producing additional income for this year.			(14,000)	
(18,000)	Additional income this year from second brown bin and bulky waste charges this year			(18,000)	
(350)	Efficiency Savings - remaining budget not required	(350)			
<b>(32,350)</b>	<b>Total</b>	<b>(350)</b>	<b>-</b>	<b>(32,000)</b>	<b>-</b>

**Net Treasury Position (£10,000) favourable variance :**

Projected Variance £	Directorate	Expenditure		Income	
		One Off £	Recurring £	One Off £	Recurring £
(9,000)	Additional investment income due to higher level of investment balances			(9,000)	
(1,000)	Lower external interest payment than projected.	(1,000)			
<b>(£10,000)</b>	<b>Total</b>	<b>(£1,000)</b>	<b>-</b>	<b>(£9,000)</b>	<b>-</b>

- 3.15 The overall projected variance of **£396,530** for 2015/16 will improve LDC's General Reserves position. The recurring expenditure and income savings amounting to **£30,290** will be built into the base Budget for 2016/17 onwards.

### **Council Tax (CT)**

- 3.16 The detailed Collection Fund for 2015/16 is shown in detail at **APPENDIX D**. Latest projections indicate a surplus on the Collection Fund for CT of **£448,449**. The reason this surplus is projected is that we estimated a CT base of **36,264** and the projected CT base for 2015/16 is **36,486** this is an increase of **222**. This increase is due to a variety of reasons including changes to discounts and exemptions, new properties and the impact of the Local Council Tax Support Scheme. LDC's share of this projected surplus would be **£58,425** and this would be shown in the Budget in 2016/17.

### **Non-Domestic Rates (NDR)**

- 3.17 LDC's Budget for its share of NDR is required under Statute to be based on the estimated income contained in the 2015/16 NNDR 1 form which is **£13,023,000**, not the projected level of income contained within the Collection Fund of **£13,144,000**. Any NDR growth or decline will be included in future financial years as part of the Collection Fund surplus or deficit. The NDR Collection Fund is projecting a deficit in 2015/16 of **£1,463,340**, LDC's share would be **£585,336** and this would be shown in the Budget in 2016/17.
- 3.18 LDC is a member of the Greater Birmingham and Solihull Business Rates Pool. Half of any retained Business Rates income in excess of the Government set baseline of **£1,937,216** is paid in levy to the Pool. Conversely, should retained Business Rate income fall below the Safety Net threshold of **£1,791,925** (92.5% of **£1,937,000**) then Safety Net up to this threshold would be receivable from the Pool.
- 3.19 Current projections are that levy of **£325,000** would be payable to the Pool in 2015/16 with **32.5%** or **£106,000** being received back from the Pool as part of the agreed three year distribution basis.
- 3.20 The monthly aggregate Rateable Value (RV), details significant movements in RV and details of the high value RV properties in Lichfield District are also shown in **APPENDIX D**.

### **Capital Programme**

#### **Managing the Current Budget**

- 3.21 LDC approved an original Budget for 2015/16 of **£5,051,000** on 17 February 2015.
- 3.22 The Revised Budget presented in the quarter one report to Cabinet on 8 September 2015 was **£6,444,000**.
- 3.23 LDC has subsequently approved the following changes to the 2015/16 budget :
- A report to Cabinet on 7 July 2015 approved an additional **£1,165,000** for Friarsgate.
  - The quarter one report to Cabinet on 8 September 2015 approved the inclusion of additional capital spend funded from earmarked reserves of **£115,810** and increased the vehicle replacement budget by **£965,000**. It also identified **(£1,138,000)** of slippage that has therefore been profiled for spend in later years.
  - The quarter two report to Cabinet on 1 December 2015 identified **(£2,206,000)** slippage that has therefore been profiled for spend in later years.
- 3.24 In addition, there have been a number of other changes, such as the allocation of Section 106, and re-phasing of some project spend that totals **£9,810**. These changes have resulted in a current Budget of **£5,336,000**.

3.25 Below we look at spend by current strategic priority for the 2015/16 financial year, focussing on the actual position for the year, compared with the Current Budget :

Priority	Original Budget £	Current Budget £	Year to Date Actual £	Projected Outturn £	Projected Variance £	
We'll support local people	1,544,000	885,000	440,785	685,000	(200,000)	●
We'll support local places	2,387,000	3,215,500	7,466	3,211,500	(4,000)	✓
We'll boost local businesses	585,000	605,500	180,573	601,500	(4,000)	✓
How our core principles help us deliver	535,000	630,000	148,808	373,000	(257,000)	●
<b>Total Capital Expenditure</b>	<b>£5,051,000</b>	<b>£5,336,000</b>	<b>£777,632</b>	<b>£4,871,000</b>	<b>(£465,000)</b>	

**KEY:** ✓ Projected actual within **£100,000** of our current budget  
 ● Projected actual not within **£100,000** of our current budget

3.26 The main reasons for the significant projected variances are detailed below:

#### We'll Support Local People

- **Disabled Facilities Grants (DFGs) (£200,000)** - the new arrangement with Revival HIA continues to present several challenges to service delivery, in particular completion of DFGs which will mean that an element of this year's budget will need to be transferred to later financial years. However, there continues to be very high demand for DFGs in the District with **148** cases currently pending where works have been determined as necessary for adaptations to be completed with an estimated value of **£1.1m**.

#### How Our Core Principles Help Us Deliver

- **IT Capital Budget (£246,000)** – a number of the projects included in the Capital Programme in 2015/16 are dependent on the completion of F4F and other reviews that will mean spend is likely to take place in future years.

3.27 An important element of the Capital Programme relates to asset replacement. The renewals of vehicles, equipment and systems during 2015/16 is shown in detail at **APPENDIX E**.

### **Capital Receipts**

3.28 The Council included in 2015/16 as part of the MTFs (R&C) 2015-18, **£2,516,000** of capital receipts from the disposal of three investment property assets. Two disposals have been completed and the current progress on the one remaining sale is detailed below :

- **Bore Street, Lichfield shops (Budget £1,469,000)**. A new Lease of 44 Bore Street, Lichfield has now been completed. With regard to the sale of the freehold of 36-44 Bore Street, Lichfield, a definite purchaser is yet to be identified although there are a number of investors interested.

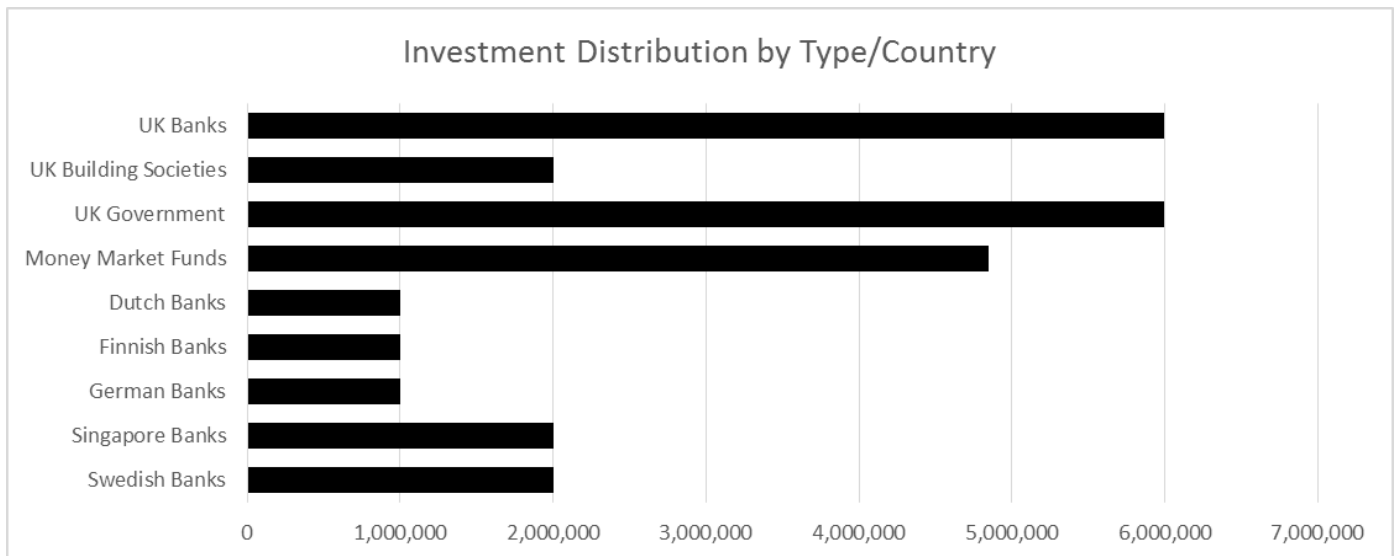
### **Capital Investment at Burntwood Leisure Centre (BLC) - the Sinking Fund**

3.29 Under the terms of the funding agreement with the National Lottery in relation to BLC, LDC is required to set aside resources to be used for the future repair and renewal of BLC in a 'Sinking Fund'. Both the level of investment and BLC in terms of LDC's leisure provision is significant, therefore, monitoring information is provided in the table below for all approved projects in 2015/16 :

Project Name	Annual Spend in 2015/16		
	Current Budget £	Projected Outturn £	Variance £
Planned maintenance	50,000	50,000	-
<b>TOTAL</b>	<b>£50,000</b>	<b>£50,000</b>	<b>-</b>

## Treasury Management

- 3.30 The performance of the Treasury Management function should be measured against the investment objectives of Security (the safe return of our monies), Liquidity (making sure we have sufficient money to pay for our services) and Yield (the return on our investments). Details are shown in **APPENDIX F** and the graph below summarises the investment position at 30 November 2015.



## Working Balance, Reserves and Provisions

- 3.31 The Approved MTFS (R&C) 2015-18 forecast **£400,450** utilisation of General Reserves in 2015/16. Eight month budget projections now show a contribution to General Reserves of **£1,124,410**, rather than the budgeted use of Reserves to balance the Budget. This means that there will be additional Reserves of **£1,524,860** available to the Council related to 2015/16 financial performance.
- 3.32 The projected General Reserves at 31 March 2016 are shown below :

Detail	Approved £000s	Projected £000s	Variance £000s
General Reserves available as at 1 April	2,902	2,998	(96)
Contribution from/(to) Revenue Budget	(400)	1,124	(1,524) <sup>4</sup>
<b>General Reserves balance as at 31 March</b>	<b>2,502</b>	<b>4,122</b>	<b>(1,620)</b>
Minimum Reserves requirement policy	(1,200)	(1,200)	0
<b>General Reserves available for use</b>	<b>£1,302</b>	<b>£2,922</b>	<b>(£1,620)</b>

<sup>4</sup> The savings of £1,543,860 less the approved contribution to the Lichfield Business Improvement District of £19,000.

Alternative Options	There are no alternative options.
Consultation	Consultation is undertaken as part of the ' <i>Plan for Lichfield District 2012-16</i> ' and with Leadership Team. This Money Matters Report was discussed at Strategic (Overview and Scrutiny) Committee to be held on 2 February 2016.
Financial Implications	At this eight months stage in the year, for the period up to November 2015, we forecast a contribution to General Reserves of <b>£1,124,410</b> will be made, against a budgeted contribution of <b>£400,450</b> from General Reserves. Further detailed analysis on the Financial Performance up to November 2015 is shown in the attached Appendices.
Contribution to the Delivery of the Strategic Plan	The MTFS underpins the delivery of the ' <i>Plan for Lichfield District 2012-16</i> '.
Equality, Diversity and Human Rights Implications	There are no additional Equality and Diversity or Human Rights Implications.
Crime & Safety Issues	There are no additional Crime and Safety Issues.

	Risk Description	How We Manage It	Severity of Risk (RYG)
<b>A</b>	Management of the Council's Revenue and Capital budget is critical to the successful delivery of key Council's priorities, and control measures need to be in place to manage the re-scheduling or re-profiling of projects and to respond to the changing financial climate.	Close monitoring of expenditure. Maximising the potential of efficiency gains. Early identification of any unexpected impact on costs, for example, central Government policy changes (including the stability budget in July 2015), movement in the markets, and changes in the economic climate. Prioritisation of capital expenditure. Project management of projects.	Red - Severe
<b>B</b>	Counterparty default	A new Annual Investment Strategy was approved by Cabinet on 7 April 2015. This new Strategy utilises more counterparties and financial instruments to diversify the portfolio and reduce this risk.	Red - Severe
<b>C</b>	The Performance of the Economy	Close monitoring of the higher risk key business areas and those areas affected by the downturn. Managers continuously gather and analyse information and are taking action where it is possible to do so.	Red - Severe
<b>D</b>	Actual cash flows are different to those that are planned	The Council maintains a comprehensive cash flow model that is updated on a daily basis to reflect actual and planned cash flows. An element of the Council's investment portfolio will be invested in instant access accounts.	Yellow - Material
<b>E</b>	Planned capital receipts are not received	The Council plans to dispose of a number of assets to fund capital investment including Industrial Units and Shops. Two of these sales have been completed and the remaining one is being monitored closely to ensure any subsequent financial implications are included in the MTFS.	Red - Severe
<b>F</b>	The level of cuts to Non "Ring fenced" Government Departments including Communities and Local Government exceeds the level already identified in the Council's approved MTFS	To ensure the new MTFS incorporates the likely impact of the new Comprehensive Spending Review and the Local Government Finance Settlement.	Red - Severe

## Background documents

CIPFA Code of Practice for Treasury Management in the Public Services.

Award of Contract for the Processing of Dry Recyclate.  
9 September 2014.

Money Matters : Medium Term Financial Strategy (Revenue and Capital) 2015-18.  
Cabinet 3 February 2015.

Money Matters : 2015/16 Review of Financial Performance against the Financial Strategy.  
Cabinet 8 September 2015.

Housing Services Review.  
Cabinet 6 October 2015.

Money Matters : 2015/16 Review of Financial Performance against the Financial Strategy.  
Cabinet 1 December 2015.

Treasury Management Policy Statement and the Annual Investment Strategy 2015/16.  
Cabinet 7 April 2015.

Procurement of Contract Hire Vehicles for the Joint Waste Service.  
Cabinet 7 April 2015.

Friarsgate Report.  
Cabinet 7 July 2015.

The Prudential Code for Capital Finance in Local Authorities.

## Relevant web links

[Cabinet - Lichfield District Council](#)

### Successes, Risks, Challenges and Future Actions

<p style="text-align: center;"><b>Financial Successes</b></p> <p>The Leaders of the Greater Birmingham and Solihull Business Pool have agreed a three year (2014/15, 2015/16 and 2016/17) distribution basis for retained levy. The levy will be distributed as follows:</p> <p>Economic Development <b>40%</b>  Safety Net <b>20%</b> (up to a maximum of <b>£2m</b>)  LDC and other tariff Authorities <b>32.5%</b>  Birmingham City Council <b>7.5%</b></p> <p>LDC externally borrowed <b>£1,522,000</b> at <b>2.59%</b> compared to the approved budget of <b>£1,636,000</b> at <b>3.04%</b>.</p>	<p style="text-align: center;"><b>Financial Risks</b></p> <p>Government funding is in part replaced by the retention of Business Rates meaning we are more financially reliant on local economic growth. This represents a significant change to local Government funding.</p> <p>Car Parking Income potentially could be impacted by a number of external factors such as alternative forms of transport, internet shopping and alternative shopping centres and car parking.</p> <p>It was agreed at Cabinet on 9 September 2014 to award the new Dry Recycling contract to Biffa Waste Services Ltd. This contract is impacting on the level of expenditure and income. Further work has been undertaken in 2015/16 to fully understand the actual financial implications based on actual activity levels. This work will continue and the full impact will not be known until towards the end of the financial year.</p>
<p style="text-align: center;"><b>Financial Challenges</b></p> <p>To ensure businesses claim their entitlements to Business Rate Reliefs.</p> <p>To ensure LDC's financial performance is within <b>£250,000</b> of the Approved Revenue Budget.</p> <p>To monitor the impact of the Localisation of Business Rates on LDC's Budget.</p> <p>To monitor the impact of technical changes and LCTS on Collection Rates and the level of Income in the Collection Fund.</p> <p>The Government has announced a new Comprehensive Spending Review with "non-ring fenced" Government Departments, including Communities and Local Government, being asked to model cuts to their budgets of <b>25%</b> and <b>40%</b> by 2019/20.</p> <p>The Local Government Association has indicated "A 25% real terms reduction to the Local Government Finance Settlement would mean a decrease of <b>£4 billion</b> by 2020 while a <b>40%</b> reduction would mean this rises to <b>£7 billion</b>".</p> <p>The implementation of the National Living Wage.</p>	<p style="text-align: center;"><b>Finance Future Actions</b></p> <p>F4F is a programme of activities that will be delivered during the MTFS period. It brings together a series of projects that all aim to reduce the expenditure of LDC and also reshape and redesign LDC and its services into one that is fit for the future.</p> <p>To manage the exposure of Business Rate growth risk by liaising with our local authority partners in the GBSBP.</p> <p>To ensure we help our residents manage the financial impact of Welfare Reform.</p>

## Council Tax and Business Rate Performance

	Council Tax				Non Domestic Rates			
	30 Nov 2014	30 Nov 2015	Change		30 Nov 2014	30 Nov 2015	Change	
Net Collectable in year	£54,211,470	£55,740,802			£35,010,711	£36,309,953		
Amount Collected in year	£42,352,542	£42,968,646			£26,586,589	£27,019,807		
Amount Collected as a %	78.12%	77.09%	1.04%	●	75.99%	74.41%	1.52%	●
In year arrears outstanding	£774,599	£737,760			£323,922	£548,537		
Previous years arrears	£766,131	£878,972			£254,794	£285,209		
Total arrears outstanding	£1,540,730	£1,616,732	4.93%	●	£578,716	£833,745	44.07%	●
Write offs	£31,164	£25,574		☑	£66,406	£124,987		●

## Sundry Debtor Performance

Details	30 Nov 2014	30 Nov 2015	All Debts Change (%)	Variance
	All Debts £	All Debts £		
Value of sundry income raised	3,861,526	4,412,563	14.27%	☑
Value of debts written off	18,249	12,956	(29.00%)	☑
Value of invoices outstanding	897,785	1,646,547	83.40%	●
% of income raised	23.25%	37.31%		●
<u>Aged Debt Analysis</u>				
Less than 6 months	372,055	1,050,906	182.46%	●
More than 6 months	525,729	595,641	13.30%	●

Variances

Favourable



Adverse



## ORIGINAL AND CURRENT BUDGETED NET EXPENDITURE FOR 2015/2016

	Original Budget	Quarter 2 Projected Outturn	Housing Services Review	Current Approved Budget
Chief Executive	889,230	766,830	0	766,830
Finance, Revenues and Benefits	2,311,520	2,288,390	0	2,288,390
Leisure and Parks	3,167,270	2,863,880	0	2,863,880
Democratic, Development and Legal	1,097,170	571,170	0	571,170
Community, Housing and Health	2,217,360	2,142,190	(122,370)	2,019,820
Waste Collection	1,311,000	1,261,280	0	1,261,280
<b>Net Cost of Services</b>	<b>10,993,550</b>	<b>9,893,740</b>	<b>(122,370)</b>	<b>9,771,370</b>
Net Treasury Position	74,900	(29,500)	0	(29,500)
Revenue Contributions to the Capital Programme	154,000	154,000	0	154,000
<b>Net Operating Cost</b>	<b>11,222,450</b>	<b>10,018,240</b>	<b>(122,370)</b>	<b>9,895,870</b>
Less : Transfer (from) / to General Reserve	(400,450)	605,510	122,370	727,880
Less : Transfer to Earmarked Reserves	92,000	290,250	0	290,250
<b>Amount to be met from Government Grants and Local Taxpayers:</b>	<b>10,914,000</b>	<b>10,914,000</b>	<b>0</b>	<b>10,914,000</b>
Revenue Support Grant	(1,450,440)	(1,450,440)	0	(1,450,440)
Business Rates	(2,105,000)	(2,105,000)	0	(2,105,000)
Returned New Homes Bonus	(16,000)	(16,000)	0	(16,000)
Business Rates Cap	(29,000)	(29,000)	0	(29,000)
Parish Local Council Tax Support	115,000	115,000	0	115,000
New Homes Bonus	(1,539,000)	(1,539,000)	0	(1,539,000)
Collection Fund (Surplus) or Deficit	(269,000)	(269,000)	0	(269,000)
Council Tax	(5,620,560)	(5,620,560)	0	(5,620,560)
<b>Total</b>	<b>(10,914,000)</b>	<b>(10,914,000)</b>	<b>0</b>	<b>(10,914,000)</b>

## ANALYSIS OF GROSS EXPENDITURE AND INCOME FOR 2015/16

	Gross Expenditure £	Gross Income £	Net Expenditure £	Projected Outturn £
Chief Executive	795,970	(29,140)	766,830	765,030
Finance, Revenues and Benefits	23,304,100	(21,015,710)	2,288,390	2,294,110
Leisure and Parks	5,750,740	(2,886,860)	2,863,880	2,818,790
Democratic, Development and Legal	4,899,270	(4,328,100)	571,170	392,170
Community, Health and Housing	2,290,810	(270,990)	2,019,820	1,885,810
Waste	5,070,350	(3,809,070)	1,261,280	1,228,930
<b>Net Expenditure of Services</b>	<b>42,111,240</b>	<b>(32,339,870)</b>	<b>9,771,370</b>	<b>9,384,840</b>
Net Treasury Position	111,500	(141,000)	(29,500)	(39,500)
Revenue Contributions to the Capital Programme	154,000	0	154,000	154,000
<b>Net Operating Cost</b>	<b>42,376,740</b>	<b>(32,480,870)</b>	<b>9,895,870</b>	<b>9,499,340</b>

## The Collection Fund

## Council Tax

	The Collection Fund in 2015/16			
	Original Budget £	30 Nov 2015 £	Projected Outturn £	Projected Variance £
Total Number of Dwellings	43,727	43,946	43,921	194
Average Number of Band D Properties	36,264	36,606	36,486	222
Council Tax Liability	(64,153,919)	(64,427,605)	(64,208,940)	(55,021)
Exemptions	888,400	856,622	848,643	(39,757)
Discounts	4,723,930	4,670,004	4,611,518	(112,412)
Discount-Local Support for Council Tax	4,592,820	4,442,824	4,469,038	(123,782)
<b>Council Tax Due</b>	<b>(53,948,769)</b>	<b>(54,458,155)</b>	<b>(54,279,742)</b>	<b>(330,972)</b>
<b>Add</b>				
Collection Fund (Surplus)/Deficit Brought Forward	(1,005,460)	(1,139,792)	(1,139,792)	(134,3320)
<b>Less</b>				
Impairment provision	0	25,124	16,855	16,8555
Declared Council tax Surplus/(deficit)	1,005,460	1,005,460	1,005,460	0
<b>Net Council Tax Due</b>	<b>(53,948,769)</b>	<b>(54,567,363)</b>	<b>(54,397,220)</b>	<b>(448,449)</b>
<b>Less</b>				
<b>Precept Demands</b>				
Staffordshire County Council	37,978,528	37,978,528	37,978,528	0
Stoke-on-Trent and Staffordshire Fire and Rescue Authority	2,500,765	2,500,765	2,500,765	0
Office of the Police and Crime Commissioner Staffordshire	6,440,849	6,440,849	6,440,849	0
Lichfield District Council	5,620,560	5,620,560	5,620,560	0
Parish Precepts	1,408,067	1,408,067	1,408,067	0
<b>Total Precept Demand</b>	<b>53,948,769</b>	<b>53,948,769</b>	<b>53,948,769</b>	<b>0</b>
<b>Council Tax Collection Fund (Surplus)/Deficit</b>	<b>(0)</b>	<b>(618,594)</b>	<b>(448,449)</b>	<b>(448,449)</b>
<b>Allocation of Council Tax Collection Fund (Surplus)/Deficit</b>				
Staffordshire County Council		(435,474)	(315,697)	(315,697)
Stoke-on-Trent and Staffordshire Fire and Rescue Authority		(28,675)	(20,788)	(20,788)
Office of the Police and Crime Commissioner Staffordshire		(73,853)	(53,540)	(53,540)
Lichfield District Council		(80,593)	(58,425)	(58,425)
	<b>0</b>	<b>(618,594)</b>	<b>(448,449)</b>	<b>(448,449)</b>

LDC Projected Collection Fund Surplus in 2015/16 to be included in the 2016/17 budget	<b>(£58,425)</b>
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# APPENDIX D (continued)

## Business Rates

	The Collection Fund in 2015/16			
	Budget £	30 Nov 2015 £	Projected Outturn £	Projected Variance £
Aggregate Rateable Value	82,290,059	83,097,124	83,130,576	840,517
Gross Business Yield	(39,533,790)	(40,358,546)	(39,902,676)	(368,886)
Transitional Relief	0	(3,208)	7,377	7,377
Mandatory Reliefs	1,470,126	1,552,467	1,504,778	34,652
Discretionary Reliefs	81,340	77,173	81,340	0
Small Business Rates Relief (Section 31 Grant)	1,841,904	1,821,701	1,808,198	(33,706)
Small Business Rates Relief (Previous Years)	0	33,706	33,706	33,706
Unoccupied Property	1,916,447	1,290,634	2,220,011	303,564
Long Term Empty Properties (Section 31 Grant)	8,661	6,180	8,661	0
Retail relief (Section 31 Grant)	612,266	599,275	612,266	0
Estimated Losses on Collection	321,000	101,531	321,000	0
Business Rates appeals	600,270	0	320,174	(280,096)
<b>Non-Domestic Rating income</b>	<b>(32,681,776)</b>	<b>(34,879,087)</b>	<b>(32,985,165)</b>	<b>(303,389)</b>
Less Other Income-Cost of Collection Allowance	124,697	124,275	124,275	(422)
<b>In Year Non Domestic Rating Income</b>	<b>(32,557,079)</b>	<b>(34,754,812)</b>	<b>(32,860,890)</b>	<b>(303,811)</b>
Opening Deficit on the Collection Fund	0	1,422,853	1,422,853	1,422,853
Previous years declared surplus	0	344,298	344,298	344,298
<b>Total Non-Domestic Rating Income</b>	<b>(32,557,079)</b>	<b>(32,987,661)</b>	<b>(31,093,739)</b>	<b>1,463,340</b>
LDC's share of in-year NDR Income @ 40%	(£13,023,000)	(£13,902,000)	(£13,144,000)	(£121,524)

Lichfield District Council (40%)	13,022,938	13,022,938	13,022,938	0
Central Government (50%)	16,278,674	16,278,674	16,278,674	0
Staffordshire County Council (9%)	2,930,161	2,930,161	2,930,161	0
Staffordshire Fire and Rescue (1%)	325,573	325,573	325,573	0
<b>Total Precept Demand</b>	<b>32,557,346</b>	<b>32,557,346</b>	<b>32,557,346</b>	<b>0</b>
<b>NDR Collection Fund (Surplus /Deficit</b>	<b>267</b>	<b>(430,315)</b>	<b>1,463,607</b>	<b>1,463,340</b>

<b>Share of the (Surplus) or Deficit</b>				
Lichfield District Council (40%)	107	(172,126)	585,443	585,336
Central Government (50%)	134	(215,158)	731,804	731,670
Staffordshire County Council (9%)	24	(38,728)	131,725	131,701
Staffordshire Fire and Rescue (1%)	3	(4,303)	14,636	14,633
	<b>267</b>	<b>(430,315)</b>	<b>1,463,607</b>	<b>1,463,340</b>

Lichfield District Council Projected Deficit in 2015/16 to be included in 2016/17 Budget	<b>£585,336</b>
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# APPENDIX D (continued)

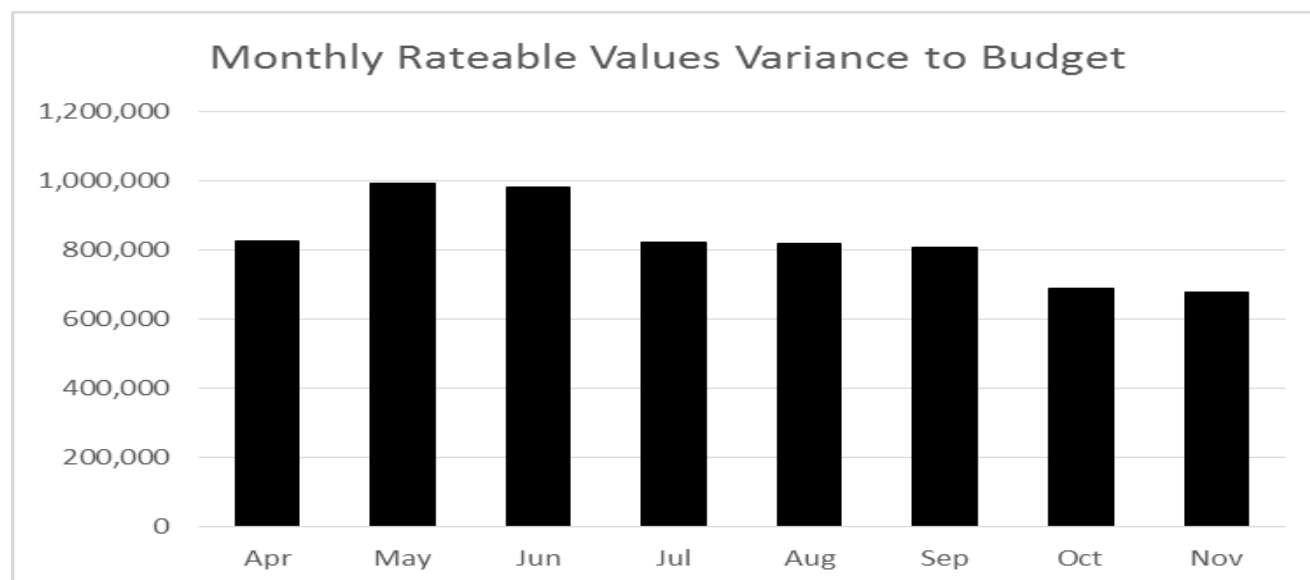
	Levy/Safety Net Calculation		
	Budget	30 Nov 2015	Projected Outturn
	£	£	£
Lichfield's Share of NDR Income @ 40%	(13,023,000)	(13,902,000)	(13,144,000)
<b>Section 31 Grants (Lichfield's 40% Share)</b>			
Small Business Rates Relief	(368,600)	(369,600)	(367,200)
New Empty Properties	0	0	0
Long Term Empty Properties	(3,200)	(2,400)	(3,200)
Retail Relief	(247,200)	(243,200)	(248,800)
Less : Tariff Payable	11,176,270	11,176,270	11,176,270
<b>Retained Business Rates Prior to Levy and Safety Net</b>	<b>(2,465,730)</b>	<b>(3,340,930)</b>	<b>(2,586,930)</b>
Business Rates Baseline	(1,921,000)	(1,937,000)	(1,937,000)

Growth or (Decline) from the Business Rates Baseline	(544,730)	(1,403,930)	(649,930)
Levy Payable @ 50%	272,000	701,965	324,965

The Council's Budget in 2015/16				
	Budget	30-Nov-15	Projected Outturn	Projected Variance
	£	£	£	£
NDR Income based on NNDR 1	(13,023,000)	(13,023,000)	(13,023,000)	0
Contribution (from) or to Business Rates Reserve	177,130	(117,035)	141,965	(35,165)
<b>Section 31 Grants (Lichfield's 40% Share)</b>				
Small Business Rates Relief	(368,600)	(369,600)	(367,200)	1,400
New Empty Properties	0	0	0	0
Long Term Empty Properties	(3,200)	(2,400)	(3,200)	0
Retail Relief	(247,200)	(243,200)	(248,800)	(1,600)
Less : Tariff Payable	11,176,270	11,176,270	11,176,270	0
Less : Levy Payable @ 50%	272,000	701,965	324,965	52,965
<b>Retained Business Rates prior to Levy Redistribution</b>	<b>(2,016,600)</b>	<b>(1,877,000)</b>	<b>(1,999,000)</b>	<b>17,600</b>
Levy from the Business Rates Pool (32.5%)	(88,400)	(228,000)	(106,000)	(17,600)
<b>Retained Business Rates</b>	<b>(£2,105,000)</b>	<b>(£2,105,000)</b>	<b>(£2,105,000)</b>	<b>£0</b>

### Rateable Value Analysis in 2015/16

The change in aggregate of Rateable Values in Lichfield District by month compared to the Budgeted level included in the Medium Term Financial Strategy is shown in the graph below :



The MTFs assumed an aggregate RV of **£82,290,000** for 2015/16 and the equivalent figure at 30 November 2015 was **£82,966,000**, an increase of **£676,000**.

The actual RV for 30 April 2015 was **£83,114,000** and the 30 November 2015 figure was **£82,966,000** and is a decrease of **£148,000**.

The reasons for the decrease from April to November 2015 are detailed below :

- A Prison and Premises increase on 19 May 2015 from **£545,000** to **£720,000**. LDC was notified on 20 May 2015 of the increase of **£175,000**.
- A Hotel decrease by **(£90,000)** on 26 October 2015 from **£460,000** to **£370,000**.
- Three Quarries decrease with a cumulative effect of **(£126,650)**.
- Other RV increases/decreases on various dates totalled **(£106,000)**.

The individual RVs that were greater than **£1m** in Lichfield District in 2015/16 were :

- |                            |                   |
|----------------------------|-------------------|
| • Tesco, Fradley           | <b>£2,730,000</b> |
| • Tesco, Lichfield         | <b>£2,130,000</b> |
| • Swish, Fradley           | <b>£1,660,000</b> |
| • Morrisons, Burntwood     | <b>£1,330,000</b> |
| • Drayton Manor, Fazeley   | <b>£1,315,000</b> |
| • Ideal Standard, Armitage | <b>£1,070,000</b> |

### Vehicle Replacement Programme 2015/16

Area	Vehicle Type	Estimated Replacement Cost	Capital Programme	Progress on procurement during 2015/16
Joint Waste	New Arrangement	£3,065,000	£3,065,000	A report was presented to Cabinet on 8 April 2015. This budget is utilised to fund for Invest to Save Business Cases.
Grounds Maintenance	Invest to Save	£0	£47,000	

## Treasury Management

### Security

Our aim for the risk status of our portfolio was **A-** using the lowest rating from the three credit rating agencies as the basis for assessing the risk status.

Investments outstanding at the 30 November 2015 had a risk status of **A+** based on the length of the investment and **AA** based on the value of the investment, which has a more secure risk status, and this is both compliant with our aim and the recommendations from our Treasury Management advisors. The recent history of the security of our investments is shown in the table below :

<b>Date</b>	<b>The Value of the Investment</b>	<b>The Maturity Date of the Investment</b>
30 November 2014	AA-	A+
31 March 2015	AA-	A+
30 June 2015	AA	A+
30 September 2015	AA	AA-
30 November 2015	AA	A+

In addition, we are currently keeping the length of our investments relatively short term to ensure that we can react to changes in counterparty credit risk very easily. Our Treasury Management advisors recommend for each bank or building society the new investment time limit to manage counterparty credit risk.

**APPENDIX F (continued)**

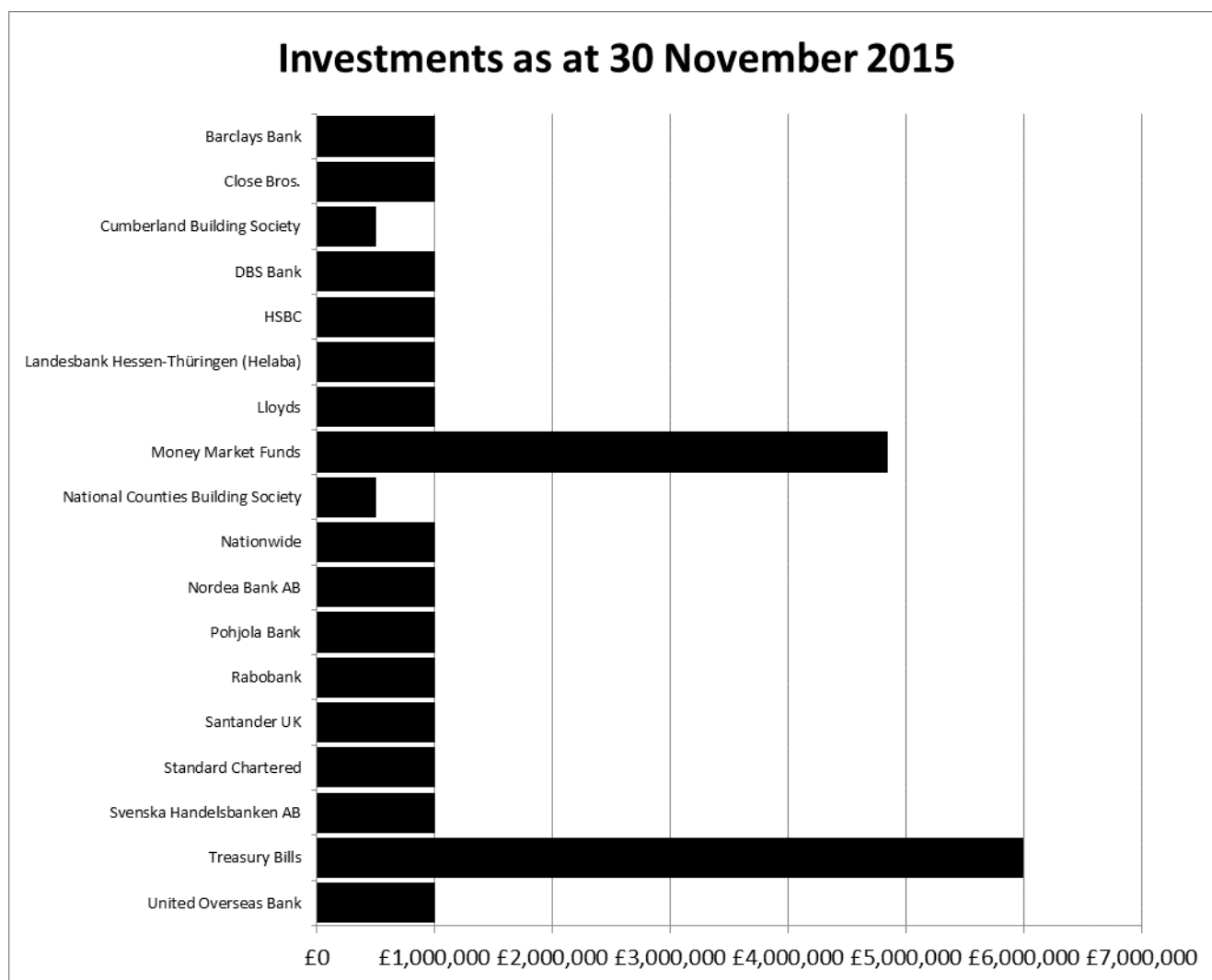
At 30 November 2015, the investment time limits were :

<b>Bank or Building Society</b>	<b>Country</b>	<b>Recommended Time Limit</b>
Bank of Scotland	United Kingdom	13 months
Barclays	United Kingdom	100 days
Close Bros	United Kingdom	6 months
Goldman Sachs International Bank	United Kingdom	100 days
HSBC	United Kingdom	13 months
Lloyds Bank plc	United Kingdom	13 months
National Westminster Bank plc	United Kingdom	35 days
Royal Bank of Scotland plc	United Kingdom	35 days
Santander (UK)	United Kingdom	6 months
Standard Chartered	United Kingdom	6 months
Coventry Building Society	United Kingdom	6 months
Cumberland Building Society	United Kingdom	100 days
Darlington Building Society	United Kingdom	100 days
Furness Building Society	United Kingdom	6 months
Harpden Building Society	United Kingdom	100 days
Hinckley & Rugby Building Society	United Kingdom	6 months
Leeds Building Society	United Kingdom	100 days
Leek United Building Society	United Kingdom	6 months
Loughborough Building Society	United Kingdom	100 days
Mansfield Building Society	United Kingdom	6 months
Market Harborough Building Society	United Kingdom	6 months
Marsden Building Society	United Kingdom	6 months
Melton Mowbray Building Society	United Kingdom	6 months
National Counties Building Society	United Kingdom	6 months
Nationwide Building Society	United Kingdom	6 months
Newbury Building Society	United Kingdom	6 months
Scottish Building Society	United Kingdom	100 days
Stafford Railway Building Society	United Kingdom	6 months
Tipton & Coseley Building Society	United Kingdom	6 months
Vernon Building Society	United Kingdom	100 days
Australia & New Zealand Banking Group	Australia	6 months
Commonwealth Bank of Australia	Australia	6 months
National Australia Bank Ltd	Australia	6 months
Westpac Banking Group	Australia	6 months
Bank of Montreal	Canada	13 months
Bank of Nova Scotia	Canada	13 months
Canadian Imperial Bank of Commerce	Canada	13 months
Royal Bank of Canada	Canada	13 months

**APPENDIX F (continued)**

<b>Bank or Building Society</b>	<b>Country</b>	<b>Recommended Time Limit</b>
Toronto Dominion Bank	Canada	13 months
Danske Bank	Denmark	100 days
Pohjola Bank	Finland	6 months
Deutsche Bank AG	Germany	35 days
Landesbank Hessen-Thuringen (Helaba)	Germany	6 months
Bank Nederlandse Gemeenten	Netherlands	13 months
Rabobank	Netherlands	13 months
ING Bank N.V.	Netherlands	100 days
DBS Bank	Singapore	13 months
Oversea-Chinese Banking Corporation	Singapore	13 months
United Overseas Bank	Singapore	13 months
Nordea Bank AB	Sweden	13 months
Svenska Handelsbanken AB	Sweden	13 months
Credit Suisse AG	Switzerland	100 days
JP Morgan Chase Bank	United States	13 months

The detailed list of investments at 30 November 2015 is shown in the graph below :



To manage the interest rate risk where possible, we are spreading investment maturities. The average length of investments we have made in 2015/16 is **94 days**.

### Liquidity

Measuring the performance in relation to liquidity is a much more difficult task and the easiest way to assess performance is to see how frequently we needed to borrow on a temporary basis during the current financial year. In 2015/16 we have not needed to borrow temporarily. Currently, we use call accounts and Money Market Funds for short-term liquidity requirements that gives us same day access to funds if needed.

**Yield**

To date in 2015/16, we have achieved an average interest rate of **0.54%** and this compares to our performance indicator of the average 7-day London Inter-bank Bid (LIBID) rate that was **0.46%**. In addition, to compare performance with longer-term benchmarks, the average 1 month LIBID rate is **0.43%**, the average 3 month LIBID rate is **0.53%** and the average 6 month LIBID rate is **0.76%**.

The projected overall net Treasury position compared with the Budget is shown in the table below :

Details	2015/16 Approved Budget	2015/16 Projected Outturn	2015/16 Variance
Average amount we had available to invest (m)	27.33	27.30	(0.03)
Average Interest Rate (%)	0.52%	0.53%	0.01%
Interest Receipts	(140,000)	(149,000)	(9,000)
Car Loan Interest	(1,000)	(1,000)	0
Internal Interest Payments	8,000	8,000	0
Other Costs	500	500	0
External Borrowing Interest	39,000	39,000	0
Minimum Revenue Provision	64,000	63,000	(1,000)
<b>Net Treasury Position</b>	<b>(£29,500)</b>	<b>(£39,500)</b>	<b>(£10,000)</b>

# STRATEGIC PLAN 2016-2020

Report of the Leader and Cabinet Member for Community

Date:	2 <sup>nd</sup> February 2016
Agenda Item:	7
Contact Officer:	Helen Titterton
Tel Number:	01543 308700
Email:	Helen.titterton@lichfielddc.gov.uk
Key Decision?	YES
Local Ward Members	Relevant to all wards.



## STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

### 1. Executive Summary

- 1.1 The process of drafting and consulting on the next Strategic Plan for Lichfield District Council is nearing completion. Members of this Committee, along with all District Councillors, managers and staff, stakeholders (including the business and community and voluntary sectors) and local residents have had an opportunity to contribute to the Plan over a six month period and their comments have fed into the gradual evolution of the document.
- 1.2 A copy of the final draft Plan is attached at **APPENDIX A**. Subject to the feedback from this Committee, the Plan will be provided to Cabinet and Council for approval in February and will then be published on the Council's website.
- 1.3 The delivery of the Strategic Plan is achieved through an Annual Action Plan; the Plan for 2016/17 is a separate agenda item for this Committee

### 2. Recommendations

- 2.1 Members are requested to endorse the Strategic Plan 2016-20.

### 3. Background

- 3.1 The development of a new Strategic Plan was one of the five work streams within the Creating a Corporate Council (CCC) Fit for the Future project which is the subject of another agenda item at this meeting. The CCC report summarises the background to and development of the Plan as follows:
  - 3.1.1 *There is a clear need to develop a new Strategic Plan. The current Plan comes to an end in March 2016 so needs renewing. But more importantly, the local context (e.g. increasing overall population and numbers of older people), the national policy environment, and continued financial challenges facing local government suggest it is fundamental to review our priorities and role as a Council. Central Government funding of local government continues to reduce and our budget in 2015/16 is £3.5million less than it was when the last Strategic Plan was published in 2012. Funding is set to decrease further.*
  - 3.1.2 *It is therefore increasingly important we are clear on where we need to allocate our resources, and that we are confident we are focussing on the things that will make the biggest impact and difference. Whilst needing to take account of the key pledges and promises from the Administration's local election manifesto, the new Plan also needs to focus increasingly on those outcomes that are known to reduce demand and dependency on council services (and the wider public state).*
  - 3.1.3 *Drawing on the Evidence Base produced for the Council by the Staffordshire Intelligence Hub, it is suggested that the three key things that enable that are people being in employment, people*

*staying active and healthy, and having somewhere safe and affordable to live. Engagement with elected members (Cabinet away day, Member Focus Group) and residents (focus group and 'In Touch' consultation) suggest that there is broad agreement to these being areas the Council should focus on.*

3.1.4 *The Plan needs to articulate clearly the contribution the Council will make to the achievement of each priority outcome through its own direct delivery of services and activity. But it should also state where we will seek to influence and encourage partners and stakeholder to act, and might also begin to set out how communities can help to achieve the outcomes.*

3.1.5 *In addition to a focus on the three key outcomes, it is also vital that the Council actively explores and pursues new ways of delivering services so that they can be delivered more efficiently and effectively. The Plan should make this clear, along with the focus and possible investment it will make in how it operates, such as the channels by which it interacts with customers. So the Plan will benefit from having a priority theme focussed on ensuring the Council is 'fit for the future'.*

3.1.6 *The new Plan also needs to be more measurable so that members and officers are able to demonstrate successful delivery of it. An annual review and publication of Annual Action Plans (as per the practice in the past) will help with this. In addition it is proposed that the Plan includes some measurable outcomes against each of the priority themes and helps to articulate the difference the delivery of the Plan will make come 2020. For example by supporting a vibrant and prosperous economy we will expect to see more people in employment and increased numbers of visitors who spend more per head.*

3.2 The final draft of the Strategic Plan is attached at **APPENDIX A**. Following consideration by this Committee, the document will be forwarded for approval by Cabinet and Council and will then be placed on the website.

Alternative Options	During the development of the Strategic Plan, various options have been considered regarding the Council's strategic priorities. Given the extent of consultation and engagement, it is not possible to amend these priorities at this stage. However, any minor amendments can still be incorporated into the text of the document
Consultation	<p>At their meeting in November 2015, this Committee received a progress report on the development of the new Strategic Plan. Councillors Smith and Mrs Fisher shared the feedback received at the Residents' Focus Group which had taken place in October and the Committee were provided with detailed feedback of all the consultation which had taken place to date. The Committee endorsed the emerging Plan but also made some comments and suggested amendments; action taken in response to these is set out at <b>APPENDIX B</b>.</p> <p>Since the last meeting of this Committee, an article about the Plan has appeared in the Council's community magazine intouch and this invited local residents to email ideas into the council having regard to the proposed main priorities. This exercise elicited four responses.</p>
Financial Implications	<p>There are no financial implications arising directly from this report. However, the implementation of the Strategic Plan will require considerable investment of funding and officer time to achieve the outcomes set out.</p> <p>The previous report to this Committee highlighted some possible areas for further investment in support of the strategic priorities of the Council eg. economic development, health ageing etc. Mindful of the Local Government Finance Settlement 2015, officers will be reviewing the feasibility of redirecting current spend into these priority areas, having regard to the impact elsewhere and the</p>

	<p>overall need to reduce the Council's budget requirement. This will be the subject of future financial reports.</p> <p>We have endeavoured to ensure the Strategic Plan is sufficiently flexible so that despite pressure on our budget, it will still be possible to progress the priorities we have identified, albeit the depth and breadth of our ambition will need to be influenced by the resources we have available to us.</p>
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Contribution to the Delivery of the Strategic Plan	<p>The new Strategic Plan will guide the direction of the Council over the coming four years and will be an important yardstick for determining service plans, business cases and ultimately how officers invest their time. All reports considered by Members include an assessment of how policy and investment decisions will help us achieve our strategic objectives so that we can keep on track with our overall vision for 2020.</p>
--	--

Equality, Diversity and Human Rights Implications	<p>During the development of the Strategic Plan, we have been mindful of the protected characteristics of our population and how the Plan can have a positive effect on relevant individuals and groups. For example, the evidence base reinforced the challenges and opportunities of our growing older population and we have taken account of this with plans to create opportunities to keep those with disabilities and older people stay active and healthy including delivery of disabled facilities grants to enable more people to live independently at home. We also want to encourage more older people to volunteer.</p> <p>The consultation process highlighted the need to support younger people and we have reflected through plans to promote active lifestyles for young people, ensure the Friarsgate scheme meets the needs of young people, encourage apprenticeships and encourage investment in affordable housing. An equality impact assessment will be carried out on the Plan in late January.</p>
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Crime & Safety Issues	<p>The Strategic Plan will impact positively on our duty to prevent crime and disorder within the District (Section 17 of the Crime and Disorder Act, 1988). We are continuing to prioritise 'safe communities' and commit to working with our partners, including the Police and Crime Commissioner, to reduce the fear of crime. We will also be implementing our anti terrorism duty through the Prevent Strategy.</p>
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	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Our priorities become outdated and do not reflect the needs and aspirations of the community	Undertaking an annual desk top review of the Strategic Plan and also keeping abreast of updated evidence and public opinion	Green (tolerable risk)
B	Our budget is so constrained that we are unable to make progress against all the outcomes listed	Prioritisation would be required plus an innovative and creative approach, working with partners and releasing capacity within the community, voluntary and business sectors	Amber (material risk)
C	A new issue or issues emerge that require considerable investment / attention which is likely to divert us from our vision	Through discussion with Members, we will need to reschedule other priorities	Green (tolerable)
D	The Strategic Plan is not used to drive the organisation forward	Service planning and individual performance targets will be guided by the Plan. All policy and business decisions will need to make it clear how they contribute to the achievement of strategic objectives	Green (tolerable)
E			

## Background documents

Report to Strategic O&S Committee ***Strategic Plan 2016-20 Update***, November 2015

Report to Strategic O&S Committee ***Strategic Plan 2016-20***, June 2015

## Relevant web links

# Lichfield District Council **Strategic plan** **2016 - 2020**





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# Foreword

We are pleased to present our strategic plan which sets out our vision for the district and the priorities we will focus on between 2016 and 2020.

The plan has been developed with the input of councillors, residents, partners and staff. It summarises what we will do, sets out where we will seek to influence other organisations, and suggests how communities can help to make our sure our district has:

- **A vibrant and prosperous economy**
- **Healthy and safe communities**
- **Clean, green and welcoming places to live**

Our plan sets out how we think we can best contribute to these three priorities. We know people who are in employment, stay active and healthy, and have somewhere safe and affordable to live, need less support and services from the council and other public sector organisations. Our overall aim is to help our communities become more self-sufficient and resilient and ensure people have the support and opportunities to help themselves, so that we can better support those most in need.

It is more important than ever that we are clear on how we allocate resources, and that we are confident we are focussing on the right things. Central government funding of local government continues to reduce. Our current budget is £3.5 million less than it was when we published our last strategic plan in 2012. We know funding will reduce even further, and that changes to our population will mean demand for some services will increase and customer expectations will change.

As part of our approach to being **a council that is fit for the future**, we need to continue to find new ways to deliver our services, adopt different approaches to using our resources, and influence more organisations and individuals to help achieve what we know are the most important outcomes for our district and communities.

We need and expect other organisations to do their bit. We remain committed to working collaboratively with a range of partners across the district including schools and colleges, the county council, health, police and fire services to achieve what is needed for our district. We also need the continued support of the voluntary, business and community sectors, to maximise the huge contribution they make to the quality of life of local communities and residents.

Local councillors play a vital role and are the voice of our communities at council. Our councillors keep in touch with residents, help to solve local problems and represent ward needs and interests in council decisions. As part of the democratic process, councillors drive through changes to improve the quality of life for everyone.

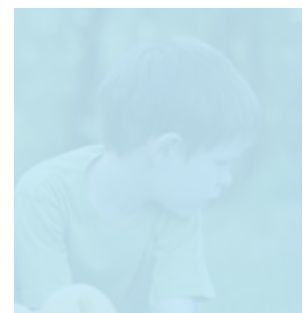
Given the rapidly changing environment we are operating in, we are committed to reviewing our plan each year through our annual action plan process to ensure it continues to reflect the needs of our district. We will also publish an annual action plan that sets out the key activities, programmes and projects we will deliver to help us achieve the outcomes set out in our plan.

Thank you for reading our plan. If you would like to contact us to give any feedback please email

**[feedback@lichfielddc.gov.uk](mailto:feedback@lichfielddc.gov.uk)**



**Councillor Mike Wilcox**  
Leader of  
Lichfield District Council



**Diane Tilley**  
Chief Executive of  
Lichfield District Council

# our vision

To be a strong, flexible council that delivers good value, quality services and helps to support a **vibrant and prosperous economy**, **healthy and safe communities** and **clean, green and welcoming places to live**.

## How it all fits together

### Vibrant & prosperous economy By 2020

- More local jobs and more people in employment.
- More new businesses locate in our district.
- More businesses succeed.
- More visitors and greater visitor spend in our district.
- A regenerated Lichfield City centre and an improved retail offer in Burntwood.

### A council that is fit for the future

### Clean, green & welcoming places to live By 2020

- More affordable homes in the district.
- Our heritage and open spaces will be well maintained or enhanced.
- Our streets will be clean and well maintained.
- More people will use parks and open spaces
- New homes, office, retail and manufacturing spaces will be built or developed in line with our Local Plan and planning guidance.

### Healthy & safe communities By 2020

- More people will be active and healthy.
- More people will be involved in volunteering and community activity.
- Fewer people and families will be homeless.
- More people will feel safer and less worried about crime and anti-social behaviour.
- More people will be living independently at home.

# A snapshot of our services



**540**

**inspections**

WE MAKE SURE RESTAURANTS  
ARE CLEAN AND SAFE



55.3% of all waste

**RECYCLED**



**5,500 inspections**  
of building work to keep people

**SAFE & SOUND**



£192,000 a year  
**FUNDING**  
for community services

**850+**  
APPLICATIONS  
for planning approval

**900,000 metres**  
of roads, streets and green areas  
**CLEANED**

**4 SITES OF SPECIAL  
SCIENTIFIC INTEREST**

and hundreds of acres of heathland  
maintained and protected

**600,000**

visits to leisure centres



Three million visitors spend  
**£90 million**  
in the local economy



**6,000**

claims for housing benefit  
& council tax support



**Advice & support**  
offered to 4,500 businesses

**602**

properties named  
and numbered

Fly-tipping, graffiti  
& flyposting **cleaned  
and removed**

**75 DISABLED  
ADAPTATIONS**

We help to keep people  
in their homes for longer



**60** new affordable  
homes



**We stopped people from  
becoming homeless**



**111,000 BINS**  
emptied every week across  
Tamworth and Lichfield



These facts and figures are taken from 2015 and give a  
good flavour of what we help to deliver in an average year.

# Vibrant & prosperous economy

We work to support and strengthen our local economy, with high employment, good local jobs, growing visitor numbers and thriving local businesses. We want people to be able to live and work locally and have the choice of great jobs and training opportunities – from apprenticeships through to high-skilled senior roles – so that they can fulfill their potential. We want our town and city centres and rural areas to be thriving and sustainable, and we want new businesses to start up, innovate and succeed.

## What we know

This is a snapshot of some of the key issues facing our local communities:

- Communities recognise that both our major retail centres, Lichfield City and Sankeys Corner in Burntwood, need a new destination led shopping and leisure offer.
- In general residents' salaries are higher than the national average (£29,276 compared to £27,195 nationally). However, 4% of the population (nearly 4,000 people) live in areas of relative deprivation (Chadsmead and Chasetown wards).
- Relatively few people claim Job Seekers Allowance. However, unemployment is above the national average in Chadsmead, Chasetown and Curborough.
- 11.5% of children live in income deprived households.
- The number of adults with NVQ3 qualifications is in line with the national average, and the number with NVQ4 qualifications is below.
- Relatively high numbers of young people leave the district for education and employment.
- Half of our residents work in the district and half commute to places, including Birmingham, Walsall and North Warwickshire, for work.

This is just a snapshot of the key local issues. We commissioned Staffordshire Intelligence Hub to identify the challenges, issues and needs of our district. To read the full evidence base visit [www.lichfielddc.gov.uk/strategievidence](http://www.lichfielddc.gov.uk/strategievidence)

## Our services

We deliver a range of services which we adapt and review to meet local needs and opportunities and to take account of our funding situation. Current services (as at 2016) we deliver that support a vibrant and prosperous economy include:

- licensing • food safety inspections • business support
- economic regeneration • CCTV
- car park management • business waste recycling
- tourist information • arts and culture support
- tourism development • business rates and relief
- planning • building control • land charges
- asset management • street trading





## What we will do

Between 2016 and 2020 we will place particular importance on:

- Promoting Lichfield District as a good place to invest through the roll out of the Local Plan.
- Ensuring our district is 'open for business' by welcoming and nurturing new enterprises to start up and succeed in our key business centres and rural areas.
- Delivering support, signposting and networking opportunities to existing businesses to help them thrive.
- Making it easy for businesses to interact with us.
- Understanding, monitoring and adapting to business needs and issues across the district.
- Encouraging increased visitors to our district, increased spend in the local economy and more overnight stays.
- Delivering good quality, accessible and safe car parking in our key retail areas.

## How the community, voluntary and business sectors can help

- Provide mutual support, networking and learning.
- Actively support BIDs.
- Become ambassadors and champions for the district at home, regionally, nationally and overseas.
- Continuing to support and develop our thriving arts, culture and tourism offer.

## We will influence and encourage

We will work with a range of partners to:

- Help to deliver Friarsgate, a mixed use retail, leisure and housing development in Lichfield City centre, and ensure it meets the needs of our community, particularly young people.
- Help to support the delivery of an improved retail experience in Burntwood.
- Work with our two Local Enterprise Partnerships to attract growth funding into the district, bringing more jobs into the area.
- Work with, influence and encourage landowners to make better use of under-used or derelict brownfield sites.
- Encourage more visitors by enhancing and better promoting the arts, heritage, retail and cultural offer of the city and district with partnerships including the Lichfield Business Improvement District (BID), Lichfield City Centre Development Partnership and the Burntwood Business Community.
- Foster and encourage other BIDs in key areas.
- Work with partners, including Staffordshire County Council and developers, to deliver infrastructure improvements in line with the Local Plan.
- Encourage apprenticeships and other youth based work schemes.
- Encourage improved broadband services, particularly in our rural areas.

## By 2020

- More local jobs and more people in employment.
- More new businesses locate in our district.
- More businesses succeed.
- More visitors and greater visitor spend in our district.
- A regenerated Lichfield City centre and an improved retail offer in Burntwood.

# Healthy & safe communities

We want local people to have access to opportunities to be active and live healthy, fulfilled lives. We want to prevent social isolation and loneliness, particularly in older members of our community. We want our communities to be even safer and for people to be less worried about crime and anti-social behaviour. We want to encourage and support people to volunteer and help shape their communities, and be an active part of local life.

## What we know

This is a snapshot of some of the key issues facing our local communities:

- Our population will increase by 5% to 107,400 by 2024.
- We have an ageing population – 23% of our residents are over 65, 9.5% are over 75, 2.7% are over 85.
- The number of residents aged over 75 is set to increase by 62% by 2024.
- The risk of social isolation and loneliness is high, with a reducing occupancy per house.
- Over 1,400 people seek housing advice every year and around 3,000 people are registered with the social housing register.
- We have a greater number of lone pensioners living with limiting long-term illnesses in and around Burntwood.
- One quarter of people living here consider themselves inactive (24,400 residents).
- Two thirds of adults are overweight and a quarter are obese.
- 25% of residents aged 18 to 64 are estimated to have a mental health condition.
- A relatively high number of households live in temporary accommodation.
- With partners we provide more than 200 people with homelessness prevention advice every year.
- While there is only a 3.6% chance of becoming a victim of crime, 21% of residents are worried about this.
- Lots of people volunteer for good causes – more than the county and national average.

This is just a snapshot of the key local issues. We commissioned Staffordshire Intelligence Hub to identify the challenges, issues and needs of our district. To read the full evidence base visit [www.lichfielddc.gov.uk/strategievidence](http://www.lichfielddc.gov.uk/strategievidence)

## Our services

We deliver a range of services which we adapt and review to meet local needs and opportunities and to take account of our funding situation. Current services (as at 2016) we deliver that support a healthy and safe communities include:

- homelessness prevention
- housing options • housing adaptations
- community grant funding and support
- community safety • CCTV • building control
- planning • licensing • food safety inspections
- leisure services • parks and open spaces
- countryside maintenance • events and festivals
- promotion of local events and groups
- health and safety inspections • accident inspections
- pollution control and response • shopmobility
- community transport • safeguarding
- partnership support • street trading
- energy efficiency advice and guidance





## What we will do

Between 2016 and 2020 we will place particular importance on:

- Creating policies and events that promote healthy and active lifestyles for all, including young people – from cycle and safe walking routes, through to events, community activities and more.
- Providing support to help those with disabilities and older people stay healthy and active.
- Creating opportunities to increase the number of residents who are physically active, especially in hard to reach groups.
- Supporting and encouraging the development of clubs and other organisations to increase the quantity and quality of leisure and cultural opportunities across the district.
- Delivering a programme of disabled facilities grants to help people remain living safely at home.
- Providing help and advice to prevent homelessness.

## How the community, voluntary and business sectors can help

- Look out for neighbours, especially the elderly and vulnerable.
- Pursue a healthy lifestyle and take responsibility for personal and family health.
- Take responsibility for sustaining projects and activities which the council initiates.
- Be responsible for personal safety and property.
- Volunteer to help good causes, from sports clubs to projects that support the elderly.
- Encourage employers to create healthy workplaces.

## We will influence and encourage

We will work with a range of partners to:

- Deliver joined up, cohesive plans and funding decisions across partners.
- Encourage the prioritisation of preventative physical and mental health and social activities through the Staffordshire Health and Wellbeing Board.
- Lobby NHS England and Staffordshire County Council to ensure a new health centre is delivered in Burntwood.
- Make sure our police service is open and transparent through the Office of the Police & Crime Commissioner.
- Deliver a coordinated approach to Prevent (anti-terrorism duty), safeguarding, child sexual exploitation, anti-social behaviour and other linked issues.
- Reduce the fear of crime by promoting and communicating successes in community safety and crime trends.
- Encourage volunteering and recruitment opportunities, particularly for older people.
- Encourage cycle route improvements, improved public transport and better walking routes.

### By 2020

- More people will be active and healthy.
- More people will be involved in volunteering and community activity.
- Fewer people and families will be homeless.
- More people will feel safer and less worried about crime and anti-social behaviour.
- More people will be living independently at home.

# Clean, green & welcoming places to live

We want to create great communities where people want to and can afford to live. We want a good balance of homes, including enough affordable homes, and we want the right mix and quantity of office, retail and manufacturing spaces. We want to protect our stunning heritage and make sure our green spaces, streets and public areas are looked after and well managed.

## What we know

This is a snapshot of some of the key issues facing our local communities:

- It's more expensive to privately rent in our district than anywhere else in Staffordshire.
- We don't have enough affordable homes, especially for young people, which is putting pressure on social rented housing.
- Over 300 people are on the top priority need band for social rented housing.
- It's estimated that a third of private homes need repairs, maintenance or improved insulation to meet national standards.
- One in ten households are in fuel poverty and spend more than 10% of their household income on keeping warm.
- We have a large rural population - 29% of our residents live in rural areas, compared with a 17% national average.
- Our heritage and our rural landscape are important to our residents.

This is just a snapshot of the key local issues. We commissioned Staffordshire Intelligence Hub to identify the challenges, issues and needs of our district. To read the full evidence base visit [www.lichfielddc.gov.uk/strategievidence](http://www.lichfielddc.gov.uk/strategievidence)

## Our services

We deliver a range of services which we adapt and review to meet local needs and opportunities and to take account of our funding situation. Current services (as at 2016) we deliver that help to create clean, green and welcoming spaces include:

- street cleaning • waste collection and recycling
- parks and open spaces
- facilitating delivery of the local plan
- supporting neighbourhood planning
- housing benefits • council tax support
- public toilets • planning
- countryside management • events and festivals
- promotion of local events and groups
- housing strategy • landlord support and enforcement
- removal of abandoned cars and fly-tipping
- council tax collection • asset management
- street naming and numbering





## What we will do

Between 2016 and 2020 we will place particular importance on:

- Implementing our Local Plan which will ensure a controlled and balanced growth of the district.
- Developing supplementary planning guidance which will help to preserve our historic environment, support rural communities, and ensure the district continues to be an attractive place.
- Maintaining our parks and open spaces which encourage residents to enjoy the outdoors.
- Restoring the historic features of Stowe Pool and Fields.
- Continuing to help our residents recycle a large percentage of waste.
- Pursuing opportunities to transfer some open spaces to local organisations who can look after them for the enjoyment of all (e.g. playing fields).

## How the community, voluntary and business sectors can help

- Residents can recycle as much as possible and compost at home. Where it's not possible to recycle onsite, residents can help by taking their rubbish home.
- Parish councils to continue to develop and deliver Neighbourhood Plans for their areas.
- Help to keep the local environment clean and tidy through community gardens and volunteer clean-ups.
- Local groups can take on the responsibility for the management of open spaces and other assets.

## We will influence and encourage

We will work with a range of partners to:

- Work with developers and social landlords to encourage investment in affordable housing.
- Encourage the development of owner occupied, shared ownership and rented housing to meet the needs of local people.
- Work to mitigate the adverse impact of HS2 on communities and businesses across the district.
- Work with Staffordshire County Council on how local waste is processed.

### By 2020

- More affordable homes in the district.
- Our heritage and open spaces will be well maintained or enhanced.
- Our streets will be clean and well maintained.
- More people will use parks and open spaces.
- New homes, office, retail and manufacturing spaces will be built or developed in line with our Local Plan and planning guidance.

# A council that is fit for the future

We want to be a strong, listening and flexible council, in tune with our customers and able to tailor our services to best suit local needs. We want to operate as 'one council' that doesn't see divisions between services, and works across all teams in a unified way to deliver the best outcomes. Making good decisions based on facts and value for money underpins all that we do.

## What we know

This is a snapshot of some of the key issues facing our council:

- Our budget has reduced by nearly £3.5 million since 2012, which means tough choices have had to be made and some services can no longer be delivered.
- During the course of this plan, we aim to become independently financially sustainable and no longer reliant on government funding for our core activities.
- We are among the lowest charging district councils in the country and raise only 9% of our funding through council tax.
- In coming years we will be more reliant on business rates as a source of income and our business rate base will be important to us.
- We handle more than 135,000 customer enquiries every year through our Lichfield Connects customer services team and our teams handle thousands of direct calls, emails and web transactions.
- We receive about 110 complaints and 90 compliments a year.
- In coming years we will need to maximise all income opportunities.

This is just a snapshot of the key local issues. We commissioned Staffordshire Intelligence Hub to identify the challenges, issues and needs of our district. To read the full evidence base visit [www.lichfielddc.gov.uk/strategicevidence](http://www.lichfielddc.gov.uk/strategicevidence)

## Our internal services

We deliver a range of internal services that support the many functions of the council, which we adapt and review to meet the organisation's needs and to take account of our funding situation. Current internal services (as at 2016) that support the public facing services we deliver include:

- customer services • HR services • IT services
- communications • data protection • equalities
- complaints and MP enquiries
- freedom of information requests • data protection
- financial services • debt recovery
- legal and democratic services
- member code of conduct • audit • health and safety
- risk management • mapping services
- insurance services • channel shift
- scanning and indexing • enabling democracy
- elections and giving voters their say • equalities
- policy and performance





## What we will do

Between 2016 and 2020 we will place particular importance on:

- Being financially stable, developing innovative approaches to generating income, and less reliant on government grant funding.
- Embedding our corporate values throughout the organisation.
- Deliver good customer service in line with our customer promise.
- Making our top service requests fully bookable online and so easy to use that people choose to go online as a first port of call.
- Consulting with local residents in a variety of ways.
- Working together as one council.
- Seeking out ways to increase productivity and efficiency through our Fit for the Future programme and service reviews.

## How the community, voluntary and business sectors can help

- Accept that we cannot solve all local issues alone and work with us to deliver initiatives in partnership or independently.
- Understand our resources are reducing and that we will adapt service delivery over the coming years.
- Pay council tax by direct debit.
- Use web and phone apps to do business with us wherever possible.

## We will influence and encourage

We will work with a range of partners to help deliver the following:

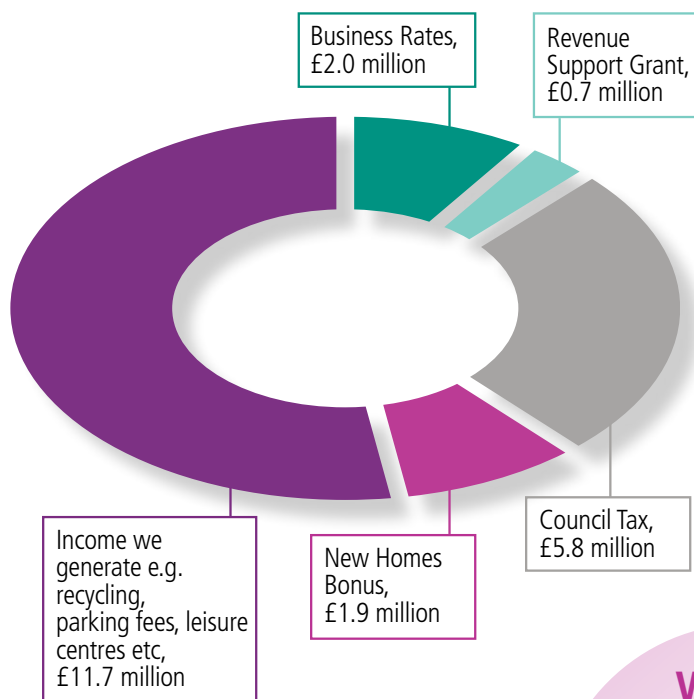
- Efficient public services including joining with others where it makes sense.
- Reduced back office costs through innovative collaborative approaches.
- Transfer of assets to local groups.

### By 2020

- Our customers will be more satisfied.
- We will continue to be financially responsible.
- Our organisation will have clear corporate values and be committed to openness and transparency.
- More people will interact with us through our website and digital channels.
- We'll be more innovative in how we deliver services and make a difference locally.

## Changing the way we do business

We want to maximise the potential of the internet and mobile devices to give our customers the opportunity to contact us and access our services electronically. In order to do this we need to know what customers want, to design how this can be best delivered, and then use the right technology to enable it. This process will form part of all our service reviews. Our website is the first part of this journey giving better access to more information. Mobile applications and the ability to do business with us electronically are our next steps.



### Our funding

We are funded by council tax, income from fees and charges, business rates, government core grant and government grant related to New Homes.

During the course of this plan, we aim to become independently financially sustainable and no longer reliant on government funding for our core activities. Our Fit for the Future transformation programme has been designed to help us achieve this and to meet our financial challenges.

Our medium term financial strategy targets our resources to the priorities set out in this plan and is underpinned by sound financial management that helps us to spend wisely, attract external funding and become more efficient.

### We put customers first

We are passionate about our customer service. We always listen and work with our customers to meet their needs. We take responsibility for things we can change and improve and encourage our customers to do the same.

### We improve & innovate

We challenge each other to look for ways to do things better. We listen to feedback and learn from it so we can improve. We welcome change and move forward with confidence.

### Our values

We have three core values that all our staff and councillors work towards. These were developed with the input of teams across the council and help us to deliver on a day-to-day basis, as well as work towards our vision and priorities. Our corporate values mean that together ...

### Together we can

#### We have respect for everyone

We listen to one another and understand each other's views and pressures. We appreciate each other and trust our colleagues to do a good job to the best of their ability.

## Our way of working

Our way of working is shared by teams across the council, supports our values and underpins the type of council we aim to be.

- We put our customers first in our planning and delivery of services.
- We listen to and involve our communities in our decision making about how we use our resources.
- We focus our work where it's most needed.
- We communicate clearly, honestly and simply.
- We treat people fairly and we seek to make a positive difference to people's quality of life, recognising that some people will need more help than others.
- We work in partnership to achieve value for money and pool our resources to deliver shared goals.
- We aim to innovate and improve what we do by finding new ways to deliver services individually and collectively.

## Listening to you

We are committed to improving and modernising the services we deliver to our customers and have developed a customer promise that reflects our wishes – from how quickly we respond to letters and emails, through to how we handles complaints. As part of our customer promise we are committed to listening to your feedback, whether that's through a formal consultation exercise, or when you tell us you can't find the information you are looking for on our website. We use your feedback to improve our services and address any issues. Find out more at

**[www.lichfielddc.gov.uk/customerpromise](http://www.lichfielddc.gov.uk/customerpromise)**  
and **[www.lichfielddc.gov.uk/voiceit](http://www.lichfielddc.gov.uk/voiceit)**

## Being accountable

We are committed to providing high quality services to residents and businesses that deliver value for money. To be transparent we publish a range of information so it's easy to see how we spend the money we get, what it delivers, and how well we are performing. Find out more at **[www.lichfielddc.gov.uk/accountable](http://www.lichfielddc.gov.uk/accountable)**

## Measuring our outcomes

This plan sets out the high level outcomes we want to achieve over the next four years. Every year we produce a one-year action plan that sets out the key activities we will deliver to drive forward our priorities, and the measures and targets we will use to check how we are doing. Our action plans also cross reference key strategies we have in place, the governance arrangements that keep things on track, and our service plans that show how each of our service areas and teams contribute to our overall ambitions. Read our action plans at **[www.lichfielddc.gov.uk/actionplans](http://www.lichfielddc.gov.uk/actionplans)**

## Being fair and accessible

We want all our services to be as accessible as possible to people living, working in and visiting our district, while we accept that not everyone will benefit in the same way or at the same time. When we develop new policies and plans, or change our services, we take account of how this may impact on those who use our services. We publish an equalities statement every year. This sets out what we have done to make our services more accessible, as well as what we plan to do. Find out more at

**[www.lichfielddc.gov.uk/equalities](http://www.lichfielddc.gov.uk/equalities)**



## Feedback

We hope you have found our strategic plan easy to read and that it clearly outlines what we are working to achieve over the next four years. If you would like to feedback on our plan, please email **[feedback@lichfielddc.gov.uk](mailto:feedback@lichfielddc.gov.uk)**. We've tried to fit in as much as possible, but of course it's not been possible to fit everything in, so we'll add more to our annual action plans at **[www.lichfielddc.gov.uk/actionplans](http://www.lichfielddc.gov.uk/actionplans)**

If you don't have access to the internet, you can request a copy of our action plans by calling **01543 308000**.

If you would like our strategic plan in another format, such as large print, please call our Lichfield Connects team on **01543 308000**.

# our plan at a glance

To be a strong, flexible council that delivers good value, quality services and helps to support a **vibrant and prosperous economy, healthy and safe communities** and **clean, green and welcoming places to live**.

## How we create a vibrant and prosperous economy

## How we create healthy and safe communities

## How we create clean, green & welcoming places to live

## What we will do

Between 2016 and 2020 we will place particular importance on:

- Promoting Lichfield District as a good place to invest through the roll out of the Local Plan.
- Ensuring our district is 'open for business' by welcoming and nurturing new enterprises to start up and succeed in our key business centres and rural areas.
- Delivering support, signposting and networking opportunities to existing businesses to help them thrive.
- Making it easy for businesses to interact with us.
- Understanding, monitoring and adapting to business needs and issues across the district.
- Encouraging increased visitors to our district, increased spend in the local economy and more overnight visitors.
- Delivering good quality and safe car parking in our key retail areas.

- Creating policies and events that promote healthy and active lifestyles for all, including young people – from cycle and safe walking routes, through to events, community activities and more.
- Providing support to help those with disabilities and older people stay healthy and active.
- Creating opportunities to increase the number of residents who are physically active, especially in hard to reach groups.
- Supporting and encouraging the development of clubs and other organisations to increase the quantity and quality of leisure and cultural opportunities across the district.
- Delivering a programme of disabled facilities grants to help people remain living safely at home
- Providing help and advice to prevent homelessness.

- Implementing our Local Plan which will ensure a controlled and balanced growth of the district.
- Developing supplementary planning guidance which will help to preserve our historic environment, support rural communities, and ensure the district continues to be an attractive place.
- Maintaining our parks and open spaces which encourage residents to enjoy the outdoors.
- Restoring the historic features of Stowe Pool and Fields.
- Our joint waste service continues to help our residents recycle a large percentage of their waste.
- Pursuing opportunities to transfer some open spaces to local organisations who can look after them for the enjoyment of all (e.g. playing fields).

## By 2020 there will be:

- More local jobs and more people in employment.
- More new businesses locate in our district.
- More businesses succeed.
- More visitors and greater visitor spend in our district.
- A regenerated Lichfield City centre and an improved retail offer in Burntwood.

- More people will be active and healthy.
- More people will be involved in volunteering and community activity.
- Fewer people and families will be homeless.
- More people will feel safer and less worried about crime and anti-social behaviour.
- More people will be living independently at home.

- More affordable homes in the district.
- Our heritage and open spaces will be well maintained or enhanced.
- Our streets will be clean and well maintained.
- More people will use parks and open spaces.
- New homes, office, retail and manufacturing spaces will be built or developed in line with our Local Plan and planning guidance.

## Our council By 2020:

- Our customers will be more satisfied.
- We will continue to be financially responsible.
- Our organisation will have clear corporate values and be committed to openness and transparency.
- More people will interact with us through our website and digital channels.
- We'll be more innovative in how we deliver services and make a difference locally.

This plan sets out the high level outcomes we want to achieve over the next four years. Every year we produce a one-year action plan that sets out the key activities we will deliver to drive forward the priorities set out in this plan in detail, and the measures and targets we use to check how we are doing. Read our actions plans at [www.lichfielddc.gov.uk/actionplans](http://www.lichfielddc.gov.uk/actionplans)



**Lichfield**  
district council  
[www.lichfielddc.gov.uk](http://www.lichfielddc.gov.uk)

## FEEDBACK ON THE DRAFT STRATEGIC PLAN FROM STRATEGIC O&amp;S COMMITTEE, NOVEMBER 2015

You said	We did
Need to consult and ensure 'buy in' from the business and community sectors	The Plan was distributed to BID, Town Team, Lichfield District Tourism Association and Lichfield City Centre Development Partnership for comments The draft Plan has also been circulated within the community and voluntary sector via Support Staffordshire. An amendment was made to the Plan to reflect the importance of mental as well as physical health raised by CAB
Redefine what we mean by rural; places such as Little Aston and Armitage with Handsacre are not rural communities	The definitions of city, town and rural and the related distribution of the population as set out in the snapshot for the economy outcome reflects the definitions in the Local Plan. No change proposed
Review inclusion of the value 'continuous improvement'; reword as there may be some services that we cannot or will not continuously improve within context of reducing budget.	This has been reviewed as part of finalising the organisational values. Continuous improvement has been replaced by: <b>We improve and innovate; we challenge each other to look for ways to do things better. We listen to feedback and learn from it so we can improve. We welcome change and move forward with confidence</b>
Review inclusion of influencing locality commissioning (Healthy and Safe priority); future of this is contingent upon sufficient funding coming through	Locality commissioning is likely to continue, at least into 16/17 and even if this approach does cease thereafter, we will still need to make joined up funding decisions with partners, especially as funding becomes increasingly scarce However, locality commissioning has been deleted as an example
Review commitment to support people with disabilities and older people; is this a role for LDC?	This is specifically referring to delivery of disabled facilities grants (a statutory responsibility) but also reflects the opportunity for LDC to use its assets to help prevent ill health and dependence on (and cost to) the state.
Need to avoid raising expectations that LDC cannot fulfil	We have endeavoured to make the Plan aspirational without raising expectations that cannot be met. However, it is acknowledged that the pressures on local government may require us to review and revise our level of ambition in future years

# STRATEGIC PLAN 2016-2020: ANNUAL ACTION PLAN – 2016/17

Report of the Leader and Cabinet Member for Community

Date: 2<sup>nd</sup> February 2016  
Agenda Item: 8  
Contact Officer: Helen Titterton  
Tel Number: 01543 308700  
Email: Helen.titterton@lichfielddc.gov.uk  
Key Decision? NO  
Local Ward Members Relevant to all wards.

*Lichfield*  
district council  
www.lichfielddc.gov.uk

## STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

### 1. Executive Summary

- 1.1 The Strategic Plan for 2016-20 is close to completion and is a separate agenda item for consideration by this Committee (and then by Cabinet and Council for approval). The Plan sets out a long term direction of travel for the Council for the next four years. In order to achieve the Council's strategic ambitions, we need to ensure that we have clear plans and targets for each financial year and that the budget is aligned accordingly.
- 1.2 This report describes the top 10 activities that the Council will be focusing on during the 2016/17 financial year to start delivering the commitments set out in the Strategic Plan. The draft Annual Action Plan is attached at **Appendix A**. The Annual Action Plan (or Corporate Top Ten) is underpinned by Top Ten Plans for each of the Directorates and these are being considered by the O&S Committees during the January / February round of meeting. Members are requested to consider whether they believe the most appropriate and relevant issues have been selected, that there is a 'good fit' with the Strategic Plan and that the expected outcomes are sufficiently ambitious and measurable.
- 1.3 Of course, there are a range of other services which are delivered by the Council which are not specifically referenced in the Corporate or Directorate Top 10s; these will continue to be provided / delivered and Members will be able to monitor progress by receiving performance indicators which are presented to the Overview and Scrutiny Committees at the mid year and end of year meetings.
- 1.4 Once agreed, all the Top Ten activities will be worked up in more detail through the Service Plans which will be produced during the spring and will ultimately inform the performance targets for individual officers.

### 2. Recommendations

- 2.1 Members are requested to consider and comment on the Annual Action Plan 2016/17 which is attached at **Appendix A**

### 3. Background

- 3.1 The Strategic Plan has been developed having regard to:
  - Evidence base (developed by the Staffordshire Intelligence Hub)
  - Manifesto commitments of the new administration
  - Consultation feedback

- Resource availability

Details are set out in the reports to Strategic Overview and Scrutiny Committee of June and November 2015.

- 3.2 A corporate Annual Action Plan has been drafted which identifies what the District Council will be prioritising during 2016/17 and this is comprised in part from the Directorate Top 10s for the same period. Having regard to the Council's four strategic priorities, ten issues have been identified as a focus for financial and officer investment as set out at **Appendix 1**. The reasons why these issues have been selected is as follows:

Reference	Activity / Task	Reason for inclusion
AAP1	City and town centre regeneration	Communities recognise that both our major retail centres need a new destination led shopping and leisure offer which will provide a wider range of services to local residents and attract visitors from further afield
AAP2	Encourage visitors	Better promotion of the arts, heritage, retail and cultural offer of the city and district will help to increase footfall and therefore spend which will contribute towards the sustainability of local businesses and the District as a whole
AAP3	Help people remain living safely at home	Contributes to health and well being of people with disabilities and their carers; continues to be a focus at national level within the context of the Better Care Fund
AAP4	Prevent homelessness	A service targeting the most vulnerable members of the community plus additional issue of Syrian refugees this year; the evidence base indicates that a relatively high number of households live in temporary accommodation
AAP5	Prevent (anti terrorism) strategy	A new legal duty on the Council introduced by the Counter Terrorism and Security Act 2015; we must have 'due regard to the need to prevent people from being drawn into terrorism'
AAP6	Implement the Local Plan	<p>The Local Plan is critical to ensuring controlled and balanced growth within the district. Housing development is important to meet need and also generates New Homes Bonus income for the Council.</p> <p>Accessing affordable housing, especially for those on low income, is an ongoing challenge and an important issue for local residents. The evidence base indicates that it is expensive to rent privately</p> <p>Developing land for commercial purposes will bring jobs and greater prosperity to the District</p>
AAP7	Fit for the Future Programme	The Council's transformation programme is ensuring that we plan and deliver the services that local people need in ways that are appropriate and cost effective

AAP8	Corporate Council Review	This review will underpin a major structural reorganisation of the Council during 2016 and take forward the recommendation of the Peer Review (2014) to develop a more 'corporate' organisation with new values and improved policies consistently applied
AAP9	Balancing the budget	It is essential to control the available budget so that we can assure Members and the public that we are delivering value for money
AAP10	Customer service on line	There is an increasing expectation that customers can conduct their business with the Council on line; better and more convenient for customers and offers opportunities to improve the efficiency of service delivery

Alternative Options	The top 10 were identified through discussions with Leadership Team and then with the respective Cabinet Members. There was a high degree of consensus on the most important issues. However, Members of the O&S Committee may wish to suggest amendments / make alternative proposals
Consultation	The selection of the top 10 has had regard to the outcome of consultation (with Members, partner organisations, residents and staff) which has been conducted as part of the development of the new Strategic Plan.
Financial Implications	There are no financial implications arising directly from this report. However, Members and officers need to be mindful of ensuring that the distribution of resources and capacity is adequate to progress the items listed
Contribution to the Delivery of the Strategic Plan	<p>The Top 10 as set at <b>Appendix A</b> have been categorised according to the Council's four strategic priorities. The Directorate has identified at least one issue in support of each priority area</p> <ul style="list-style-type: none"> <li>• Vibrant and prosperous economy – 2 issues</li> <li>• Healthy and safe – 3 issues</li> <li>• Clean, green and welcoming – 1 issue</li> <li>• Strong and flexible Council – 4 issues</li> </ul>
Equality, Diversity and Human Rights Implications	The equality, diversity and human rights implications of the top 10 issues will be considered in more detail as work is progressed on each one and equality impact assessments undertaken where needed.
Crime & Safety Issues	It is anticipated that the top 10 issues will impact positively on our duty to prevent crime and disorder within the District (Section 17 of the Crime and Disorder Act, 1988). This is particularly the case with the Prevent Strategy

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	An issue which should be included in the Top 10 has been overlooked	The process of identifying the Top 10 is rigorous and gives the opportunity for elected Members and officers to contribute. However, if another issue arises or escalates, the Top 10 may need to be reviewed and rescheduled	Yellow

B	A new priority emerges which could potentially be a Top 10 matter	Any new issue would need to be considered and amendments made to the existing Top 10 (with appropriate Member approvals)	Yellow
C	The Council has insufficient financial or staffing capacity to deliver all of the Top 10	Regular progress monitoring will be undertaken including biannual reports to this Committee	Yellow
D			

### Background documents

Draft Strategic Plan 2016 – 2020

Reports to Strategic overview and Scrutiny Committee, June and | November 2015

### Relevant web links

## CORPORATE ANNUAL ACTION PLAN 2016 / 17

Reference	Activity / task	What will success look like? All timescales are by March 2017 unless specified	Lead Cabinet member	Governance (O&S)
<b>Vibrant and prosperous economy</b>				
<b>AAP1</b>	Improve and enhance the health and viability of Lichfield City and Burntwood	Planning application for Friarsgate considered by April 2016 Friarsgate scheme under construction Planning application brought forward for an improved retail offer in Burntwood Property vacancy rates reduced by 1% to 8.2% in Lichfield city and 1% to 3.6% in Burntwood town (baseline @ December 2015)	Councillor Pritchard	EGED O&S
<b>AAP2</b>	Encourage visitors to our District	Lichfield City Centre Development Partnership Strategy launched by April 2016 Visitor numbers increased across the District by at least 1% (from 2,853,000)	Councillor Pritchard and Cllr Mrs Fisher	EGED O&S
<b>Healthy and safe communities</b>				
<b>AAP3</b>	Prevent homelessness and rehouse eligible households who become homeless	At least 200 homelessness preventions Homes identified within the District for up to 5 refugee families	Councillor Greatorex	CHH O&S
<b>AAP4</b>	Deliver a programme of disabled facilities grants to help people remain living safely at home	100% of budget for disabled facilities grants spent	Councillor Greatorex	CHH O&S
<b>AAP5</b>	Develop and implement a Strategy for Prevent (anti terrorism)	Strategy approved by June 2016	Councillor Pullen	CHH O&S and District Board
<b>Clean, green and welcoming places to live</b>				

Reference	Activity / task	What will success look like? All timescales are by March 2017 unless specified	Lead Cabinet member	Governance (O&S)
AAP6	Implement the adopted Local Plan	Pre application discussions in relation to Deans Slade and Cricket Lane, Lichfield (major allocated development sites) underway Draft Site Allocations Plan prepared and submitted for examination A 20% increase in dwellings delivered in 2016/17 (compared to 2015/16) Revised planning proposal for Liberty Park (13 hectares) considered 32 affordable homes delivered	Councillor Pritchard  Councillor Greatorex	EGED O&S
<b>A council that is fit for the future</b>				
AAP7	Continue to implement Fit for the Future programme	Delivery Plans developed and implemented for the following reviews <ul style="list-style-type: none"> <li>• Leisure</li> <li>• Parks and Open Spaces</li> <li>• Revenues and Benefits</li> <li>• Economic Development Service</li> <li>• Car Parking</li> </ul>	Councillor Smith Councillor Smith Councillors Spruce / Pullen Councillor Pritchard Councillor Mrs Fisher	EGED O&S and LPWM O&S
AAP8	Implement outcomes of the Corporate Council Review	New organisational structure in place Customer promise and organisational values launched by May 2016 Code of Conduct launched by May 2016 Terms and conditions review completed and recommendations implemented by May 2016	Councillor Wilcox	Employment Committee
AAP9	Ensure revenue and capital budgets are managed efficiently and effectively	Outturn to be +/- £250,000 of the revised revenue budget 98.5% of council tax and business rates collected Quarterly Money Matters reports produced and approved by O&S and Cabinet Unqualified, audited accounts and Value for Money conclusion for 2015/16 approved by 30 September 2016	Councillor Spruce	Strategic O&S Full Council

Reference	Activity / task	What will success look like? All timescales are by March 2017 unless specified	Lead Cabinet member	Governance (O&S)
AAP10	Develop and implement a Strategy to encourage and enable customers to meet their service requests on line	Our critical IT systems are available for at least 99.96% of the time At least 4 new services to be accessible to customers via the mobile app Increased downloads of mobile app by Lichfield residents from 459 (@ December 2015) to 3000	Councillor Pullen	Strategic O&S
		Increased number of forms submitted on line from monthly average of 199 (@ December 2015) to 290 (for 2016/17)	Councillor Wilcox	Strategic O&S
		Increased number of automated processes within revenues and benefits service(RBS) More customers of RBS able to self serve on line More RBS forms available on line Landlord portal introduced within RBS On line billing introduced for RBS customers Processing of RBS claims transferred from manual to electronic systems	Councillor Spruce	Strategic O&S
		Introduce on-line booking capability for sports facilities for members	Councillor Smith	LPWM O&S
		Electronic consultation with parish councils on planning applications introduced	Councillor Pritchard	EGED O&S
		Cabinet meeting papers distributed electronically	Councillor Spruce	Strategic O&S

# Directorate Top 10 - 2016/17

Report of the Cabinet Member for Finance and Democracy

Date: 2 February 2016  
Agenda Item: 9  
Contact Officer: Richard King/Jane Kitchen  
Tel Number: 01543 308060/308770  
Email: richard.king@lichfielddc.gov.uk  
jane.kitchen@lichfielddc.gov.uk  
Key Decision? NO  
Local Ward Members Relevant to all wards



## STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

### 1. Executive Summary

- 1.1 The Strategic Plan for 2016-20 is close to completion and will be considered by Cabinet and Council for approval in February 2016. The Plan sets out a long term direction of travel for the Council for the next four years. In order to achieve the Council's strategic ambitions, we need to ensure that we have clear plans and targets for each financial year and that the budget is aligned accordingly.
- 1.2 This report describes the Top 10 issues that Democratic and Legal and Finance, Revenues and Benefits will be focusing on during the 2016/17 financial year in support of the Strategic Plan. These are set out at **Appendix A** and **Appendix B**. Members are requested to consider whether they believe the most appropriate and relevant issues have been selected, that there is a 'good fit' with the Strategic Plan and that the expected outcomes are sufficiently ambitious and measurable.
- 1.3 Of course, there are a range of other services which are delivered by these services which are not specifically referenced in the Top 10's; these will continue to be provided and Members will be able to monitor progress as a result of the Performance Indicators which are presented to the Committee at mid-year and end of year meetings.
- 1.4 Once agreed, the Top 10 issues will be worked up in more detail through the Service Plans which will be produced during the spring and will ultimately inform the performance targets for individual officers.

### 2. Recommendations

- 2.1 Members are requested to consider and comment on the Top 10 issues for Democratic and Legal and Finance, Revenues and Benefits, which are attached at **Appendices A & B**.

### 3. Background

- 3.1 The Strategic Plan has been developed having regard to :
  - Evidence base (developed by the Staffordshire Intelligence Hub)
  - Manifesto commitments of the new administration.
  - Consultation feedback.
  - Resource availability.

Details are set out in the reports to Strategic Overview and Scrutiny Committees in June and November 2015.

3.2 A Corporate Annual Action Plan has been drafted which identifies what the District Council will be prioritising during 2016/17 and this is comprised in part from the Directorate Top 10's for the same period.

Having regard to the Council's four strategic priorities, Democratic and Legal Services have identified the Top 10 issues as set out at **Appendix A**. The reasons why these issues have been selected are as follows :

<b>Reference</b>	<b>Issue/Task</b>	<b>Reason for inclusion</b>
<i>D&amp;L 1</i>	<i>Utilising Council assets to achieve development</i>	<i>Maximise the use of the Council's assets to promote development and achieve capital receipts where possible</i>
<i>D&amp;L 2</i>	<i>Completion of Section 106 agreements</i>	<i>To enable development for housing and business use</i>
<i>D&amp;L 3</i>	<i>Assisting in the review of open spaces for Development</i>	<i>Maximisation of the use of Council's assets is key to generating capital receipts and promoting development</i>
<i>D&amp;L 4</i>	<i>Organise Neighbourhood Planning Referendums</i>	<i>The Council needs to assist in helping neighbourhoods plan for their areas</i>
<i>D&amp;L 5</i>	<i>Organising the Police and Crime Commissioner Elections and preparing for EU referendum</i>	<i>The organisation and administration of the Police and Crime Commissioner Elections and the EU Referendum are key to ensure a satisfactory voter experience and maintaining the integrity of the Elections</i>
<b>D&amp;L 6</b>	<b>Ensure revenue and capital budgets are managed effectively and efficiently</b>	<b>It is important that budgets that are set are accurate and realistic to deliver the aims of the service</b>
<i>D&amp;L 7</i>	<i>Implementation of the Condition Survey report relating to the District Council House</i>	<i>It is important that the District Council House is a properly maintained and fit for the purpose workplace</i>
<i>D&amp;L 8</i>	<i>Efficient administration of Freedom of Information (FOI) requests</i>	<i>Dealing with FOI requests is a statutory requirement and it is important to monitor whether the statutory timescales are met</i>
<i>D&amp;L 9</i>	<i>Improving the Overview And Scrutiny function</i>	<i>It is one of the Council's key objectives to improve the Overview and Scrutiny function having regard to the Peer Review report and it is important we monitor progress thereon</i>
<b>D&amp;L 10</b>	<b>Develop and implement a strategy to encourage and enable customers to meet their service requests online</b>	<b>There is an increasing expectation that customers can conduct their business with the Council online; better and more convenient for customers and offers opportunities to improve the efficiency of service delivery</b>

Finance, Revenues and Benefits have identified the Top 10 issues attached at **Appendix B**. The reasons why these issues have been selected are as follows :

<b>Reference</b>	<b>Issue/Task</b>	<b>Reason for inclusion</b>
FRB01	Maximise reliefs available for Business Rates for businesses operating in the District in accordance with Council policy	To help businesses in accordance with the Strategic Plan's aim of achieving a vibrant and prosperous economy by accessing reliefs available to support businesses
FRB02	Revised Discretionary Housing Payments policy to ensure help is given to as many people as possible	To provide support for the most vulnerable in the District by enabling them to access Government Grant available
FRB03	Working with partners to identify those in difficulty/need in managing their finances six months from the start of Universal Credit	To provide money advice for UK claimants within Lichfield District
<b>FRB04</b>	<b>Balancing the Budget</b>	<b>It is essential to control the available budget so that we can assure Members and the public that we are delivering value for money</b>
FRB05	Maximise external income and funding opportunities wherever possible	To assist the Council in becoming financially independent of any Government support
FRB06	Council to operate within +/- £25,000 of the Approved Budget Individual target set for each Directorate	Directorate financially manages its budget in accordance with the corporate target for the Council and achieves value for money in its service delivery
FRB07	Deliver Fit for the Future (F4F) Revenues and Benefits Service (RBS) Review	This will ensure that RBS is organised and delivered in the most cost efficient and effective way to meet current and future customer needs within the context of changing legislative requirements
FRB08	IT systems F4F achieved by : <ul style="list-style-type: none"> <li>• Implementation of Phases 1 and 2 'ICT Looking to the Future' programme</li> <li>• Core IT systems reliability</li> </ul>	Completion of the IT project will result in all technology in use at Lichfield is run on a modern operating system and with up-to-date software This will provide the opportunity for consideration of mobile and flexible working and the ability to look at service delivery in a different way It is essential that the IT systems are reliable and provide the access needed, as and when it is required
FRB09	Implementation of Information, Communication and Technology Access and Security Policy	This will ensure that there is a robust set of policies and guidelines on how our systems are used.

3.3 Some of the issues/tasks above are of such significance that they are also included in the draft Annual Action Plan. These are indicated in **bold type** above.

Alternative Options	The Top 10 were identified through discussions with Managers and then with the respective Cabinet Members. There was a high degree of consensus on the most important issues. However, Members of the Strategic Overview & Scrutiny Committee may wish to suggest amendments/make alternative proposals
Consultation	The selection of the Top 10 has had regard to the outcome of consultation (with Members, partner organisations, residents and staff) which has been conducted as part of the development of the new Strategic Plan.
Financial Implications	There are no financial implications arising directly from this report. However, Members and officers need to be mindful of ensuring that the distribution of resources and capacity is adequate to progress the items listed
Contribution to the Delivery of the Strategic Plan	The Top 10's as set in <b>Appendices A &amp; B</b> have been categorised according to the Council's four strategic priorities.
Equality, Diversity and Human Rights Implications	The Equality, Diversity and Human Rights Implications of the Top 10 issues will be considered in more detail as work is progressed on each one and Equality Impact Assessments undertaken, where needed. Overall, it is anticipated that there will be a positive impact on people with protected characteristics
Crime & Safety Issues	It is anticipated that the Top 10 issues will impact positively on our duty to prevent crime and disorder within the District (Section 17 of the Crime and Disorder Act, 1988).

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	An issue which should be included in the Top 10 has been overlooked.	The process of identifying the Top 10 is rigorous and gives the opportunity for elected Members and officers to contribute. However, if another issue arises or escalates, the Top 10 may need to be reviewed and rescheduled	Yellow
B	A new priority emerges which could potentially be a Top 10 matter.	Any new issue would need to be considered and amendments made to the existing Top 10 (with appropriate Member approvals)	Yellow
C	The Council has insufficient financial or staffing capacity to deliver all of the Top 10.	Regular progress monitoring will be undertaken including bi-annual reports to this Committee	Yellow

#### Background documents :

Draft Strategic Plan 2016-2020.

Reports to Strategic Overview and Scrutiny Committees, June and November 2015.

## ANNUAL ACTION PLAN 2016/17

### Top Ten Issues - Democratic and Legal Services

Reference	Issue/task	What will success look like? All timescales are by March 2017 unless specified	Lead Cabinet member	Governance (O&S)
<b>Vibrant and prosperous economy</b>				
<b>D&amp;L 1</b>	Utilising Council assets to achieve development	Implementation of Development Schemes involving Council assets to increase rental income, secure capital receipts and increase business rates	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 2</b>	Number of Section 106 Agreements completed	Completion of LDC input into Section 106 Agreements in statutory timescale to enable development to take place	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 3</b>	Review of open spaces for disposal	Disposal of assets for development in conjunction with Leisure Services to realise capital receipts	Cllr Smith/ Cllr Spruce	<b>Leisure Parks &amp; Play</b>
<b>Healthy and Safe communities</b>				
<b>Enjoying clean, green and welcoming places to live</b>				
<b>D&amp;L 4</b>	Organising Neighbourhood Planning Referendums	To ensure Neighbourhood Planning Referendums are held within statutory timescales and administered effectively	Cllr Spruce	<b>Strategic</b>
<b>A council that is fit for the future</b>				
<b>D&amp;L 5</b>	Organising the Police and Crime Commissioner Elections and preparing for EU Referendum	Successful administration of Election and preparation in place for when EU Referendum is called	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 6</b>	Ensure revenue and capital budgets are managed effectively and efficiently	Outturn at 31 March to be within £63,000 of the budget, subject to Council approval on 23 February 2016	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 7</b>	Implementation of the Condition Survey Report relating to District Council House	Number of tasks within the report completed in accordance with the approved budget	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 8</b>	Efficient administration of Freedom of Information Requests	Dealing with 99% FOI requests within the statutory timescale	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 9</b>	Improving the Overview and Scrutiny function	A more effective Overview & Scrutiny function such that the capacity of Members is focussed more on policy development and transformation change and is less resource intensive	Cllr Spruce	<b>Strategic</b>
<b>D&amp;L 10</b>	Develop and implement a strategy to encourage and enable customers to meet their service requests online	There is an increasing expectation that customers can conduct their business with the Council online; better and more convenient for customers and offers opportunities to improve the efficiency of service delivery	Cllr Spruce	<b>Strategic</b>

## ANNUAL ACTION PLAN 2016/17

### Top Ten Issues - Finance, Revenues and Benefits

Reference	Issue/task	What will success look like? All timescales are by March 2017 unless specified	Lead Cabinet Member	Governance (O&S)
<b>Vibrant and prosperous economy</b>				
<b>FRB 01</b>	Maximise reliefs available for Business Rates for businesses operating in the District in accordance with Council policy	All reliefs awarded in accordance with Council policy	Cllr Spruce	<b>Strategic</b>
<b>Healthy and Safe communities</b>				
<b>FRB 02</b>	Revise Discretionary Housing Payments policy to ensure that help is given to as many people as possible	All Government Grant available utilised in accordance with Council policy		
<b>FRB 03</b>	Working with partners to identify those in difficulty/need in managing their finances six months from the start of Universal Credit	Money advice will be in place to all UK claimants who are referred to Lichfield District Council by the Department for Work and Pensions	Cllr Spruce	<b>Strategic</b>
<b>A council that is fit for the future</b>				
<b>FRB 04</b>	Ensure Revenue and Capital Budgets are managed efficiently and effectively	Outturn to be +/- £250,000 of the revised Revenue Budget 98.5% of Council Tax and Business Rates collected Quarterly Money Matters reports produced and approved by O&S and Cabinet Unqualified Audited Accounts and Value for Money conclusion for 2015/16, approved by 30 September 2016	Cllr Spruce	<b>Strategic O&amp;S Full Council</b>
<b>FRB 05</b>	Maximise external income and funding opportunities wherever possible.	The Council moves towards becoming financially independent of any Government support	Cllr Spruce	<b>Strategic O&amp;S</b>
<b>FRB 06</b>	Ensure Revenue and Capital Budgets are managed efficiently and effectively	Directorate to be +/- £33,000 of the Budget, subject to approval by Council on 23 February 2016	Cllr Spruce	<b>Strategic O&amp;S</b>
<b>FRB 07</b>	Deliver F4F Revenues and Benefits Service (RBS) Review	Outcomes will be achievement of savings, increased income and implementation of service changes that use electronic means (known as Channel Shift), wherever possible, to improve and increase efficiency of the RBS	Cllr Spruce	<b>Strategic O&amp;S</b>
<b>FRB 08</b>	IT systems F4F achieved by : Implementation of Phases 1 and 2 'ICT Looking to the Future' programme Core IT systems reliability	All computers upgraded to modern operating systems and new servers better able to support Phase 2 and the journey towards becoming a digital council Critical systems available for at least 99.96% of the time	Cllr Pullen	<b>Strategic O&amp;S</b>
<b>FRB 09</b>	Implementation of Information, Communication and Technology Access and Security Policy	Refresh and rebrand the Council's existing policy. New policy approved by Council and fully implemented with appropriate training for all staff and members	Cllr Pullen	<b>Strategic O&amp;S</b>

# FIT FOR THE FUTURE: CREATING A CORPORATE COUNCIL

## Report of the Leader of the Council

Date: 2<sup>ND</sup> February 2016  
Agenda Item: 10  
Contact Officer: Diane Tilley – Chief Executive  
Tel Number: 01543 308001  
Email: [diane.tilley@lichfielddc.gov.uk](mailto:diane.tilley@lichfielddc.gov.uk)  
Key Decision? NO  
Local Ward Members



## STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

### 1. Executive Summary

- 1.1 This report provides an opportunity for members to consider and comment on the emerging proposals and planned next steps as part of the Fit for the Future: Creating a Corporate Council work being undertaken.
- 1.2 The report attached at Appendix 1 summarises the key findings and proposals to date. These include the need to approve a new Strategic Plan for 2016-20, implement a new senior management structure, introduce a new local Employee Code of Conduct and revise some of the key HR policies that support it, further consider changes to employee terms and conditions, and continue to fundamentally review the role of Overview and Scrutiny.

### 2. Recommendations

- 2.1 That the Committee consider the 'Creating a Corporate Council' report attached at Appendix 1 and provide comments and observations on the emerging proposals and planned next steps.

### 3. Background and Context

- 3.1 The 'Fit for the Future Programme' (F4F) is the Council's transformation programme. It was launched in May 2013 to help make the organisation financially and functionally fit for the challenges ahead. The Programme continues to include a range of service reviews and projects aimed at delivering financial savings, service improvements and organisational development. One of those projects is 'Creating a Corporate Council', the Project Initiation Document (PID) for which was considered and endorsed by this Committee on 9th June 2015. The Committee also considered a progress report on 17<sup>th</sup> November 2015.
- 3.2 The 'Creating a Corporate Council' comprises work streams and initiatives that support the organisational development needed to create a council that operates in a more consistent manner, is informed by clear policies, organisational values and good governance, and has management capacity that is structured and aligned effectively to support the future aspirations of the Council. The project was also intended to respond to some of the areas for improvement identified by the Local Government Association (LGA) Corporate Peer Challenge (September 2014).
- 3.3 Members will recall that the current 'Creating a Corporate Council' strands of work include:
  - Formulation of a new Strategic Plan 2016-20
  - Developing the role of Overview and Scrutiny
  - Reviewing employee terms and conditions
  - Strengthening corporate policy and information
  - Reviewing management & leadership structures

- 3.4 The report attached at [Appendix 1](#) summarises the key findings and conclusions from each of those five work streams, and sets out planned next steps. Some of the work streams are nearing completion such as the Strategic Plan but that others are still work in progress. For example the review of employee terms and conditions where we have reported the findings from the LGA review but have yet to develop our proposals in response to them.
- 3.5 Members will note there are different routes through which proposals will be progressed in terms of the Council's formal governance and decision-making arrangements. Separate reports will be submitted to the relevant committee. For example, the new Strategic Plan will need approval by Cabinet and Full Council, a new senior management structure, Employee Code of Conduct and revised HR policies will need to be approved via the Employment Committee.

Alternative Options	A key principle of Fit for the Future reviews is that they should consider alternatives. Key proposals arising from each of the Creating a Corporate Council work streams will be subject to separate reports which will include details of alternative options considered in the development of those proposals.
Consultation and Engagement	<p>Each of the Creating a Corporate Council work streams have engaged with relevant stakeholders during the work undertaken and/or have activity planned. For example:</p> <ul style="list-style-type: none"> <li>• Development of a new Strategic Plan 2016-20: has included engagement and/or consultation with members, residents, businesses, voluntary/community sector, and council managers and employees</li> <li>• A proposed new management structure: will be subject to a formal consultation process before a final decision is made about implementation.</li> <li>• Strengthening corporate policy: has included engagement with managers and employee representatives. Staff briefing sessions in February 2016 will raise awareness and understanding about the new Code of Conduct and organisational values.</li> <li>• Developing Overview and Scrutiny: members have been fully involved in the work stream which is being led by a member task group.</li> <li>• Reviewing Employee Terms &amp; Conditions: informal engagement with employee representatives, and the 2 working groups proposed (staff car parking and flexible working) will seek to engage staff before proposals are put forward and decisions are made.</li> </ul>
Financial Implications	<p>Some of the proposals set out in the report will require investment (e.g. one-off costs to implement a new management structure), whilst others present potential opportunities to achieve financial savings (e.g. changes to the way Overview &amp; Scrutiny operates, amendments to employee terms and conditions).</p> <p>Proposals from the work streams will be presented to the relevant committee for their consideration and approval in line with the agreed governance and decision-making arrangements and will include the financial implications.</p>
Contribution to the Delivery of the Strategic Plan	The new Strategic Plan 2016-20 is currently being developed (and is the subject of a separate report to this Committee). The work undertaken by the other elements of the Creating a Corporate Council project has been planned and progressed to take account of the emerging strategic outcomes and priorities.

Equality, Diversity and Human Rights Implications	Much of the work being undertaken as part of the Creating a Corporate Council is being driven by the need and desire to create more of a 'one council' ethos across the organisation. The impact and implications of any proposed changes will have been considered during the review, and a summary of the equality impact assessment will be included when the proposal/recommendation is presented to the relevant committee for approval.
Crime & Safety Issues	No direct crime and safety issues are identified or envisaged as a direct result of this report.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Employees, trade unions and other stakeholders may not fully support or accept some of the proposals (e.g. review of management structures, new Code of Conduct and potential changes to T&Cs).	<ol style="list-style-type: none"> <li>1. Staff briefings about the work being undertaken as part of the Creating a Corporate Council work have been held.</li> <li>2. Further briefings are planned re new Code of Conduct and organisational values.</li> <li>3. Any changes to management structures and terms and conditions will be subject to formal consultation/engagement with managers, staff and unions.</li> </ol>	
B	The latest Local Government financial settlement and additional financial pressures and challenges facing the Council potentially restrains the resources available to invest to save and fund one-off implementation costs.	<ol style="list-style-type: none"> <li>1. Reports presenting proposals will clearly indicate the financial implications and latest position.</li> <li>2. Continued prudent financial management and planned use of reserves to fund one-off implementation of changes that will result in improved performance at no additional running costs and/or realise longer term financial savings or additional income.</li> <li>3. Continuation of the Fit for the Future Programme to identify further efficiencies, savings and income generation opportunities.</li> </ol>	
C			
D			
E			

#### Background documents:

- Report to Strategic (Overview and Scrutiny) Committee, 18<sup>th</sup> November 2014 – 'Peer Review Report'
- Report to Strategic (Overview and Scrutiny) Committee, 9th June 2015 – 'Responding to the LGA Corporate Peer Challenge'
- Report to Strategic (Overview and Scrutiny) Committee, 9th June 2015 – 'Fit for the Future Programme'
- Report to Strategic (Overview and Scrutiny Committee), 17<sup>th</sup> November 2015 – 'Fit for the Future (F4F) Programme: Creating a Corporate Council'

#### Relevant web links

## **FIT FOR THE FUTURE**

### **CREATING A CORPORATE COUNCIL (2015/16)**

#### **FINAL REPORT - JANUARY 2016**

## **1. Introduction**

### **The Fit for the Future Programme**

- 1.1 The 'Fit for the Future Programme' (F4F) is the Council's transformation programme. It was introduced in May 2013 to help make the organisation financially and functionally fit for the challenges facing local government. Since its introduction the Programme has helped to identify a range of service improvements and deliver significant savings through a range of measures including reductions in non-priority areas, changes to service standards, transferring assets and introducing or increasing charges for some services.
- 1.2 The Programme includes a range of service reviews and projects aimed at delivering financial savings, service changes and organisational development. One of those key projects, started in 2015, is 'Creating a Corporate Council' which comprises various work streams and initiatives that support the organisational development needed to create a council which operates in a more consistent manner, is informed by transparent policy, clear organisational values and good governance, and has management capacity that is structured and aligned effectively to support the future aspirations of the Council.

### **Background and context**

- 1.3 The overall rationale for the 'Creating a Corporate Council' Review was the need and desire to address the areas for improvement identified by the LGA Corporate Peer Challenge (September 2014). In particular, strengthening the corporate culture and governance and create a 'one council' ethos across the organisation and a recognition that Overview and Scrutiny needed to be better positioned to make timely and considered contributions to strategic policy development.
- 1.4 Other drivers for the review were:
  - Organisational structures had not been reviewed for a number of years, and the impact of losing two director level posts in recent years was being increasingly felt – including the loss of dedicated resource for organisational development, combined with key corporate support functions such as HR, legal, policy and performance being thinly resourced.
  - Employee Terms & Conditions and working practices had not been reviewed for a number of years, and many operating policies, particularly HR policies, had been developed on an ad hoc basis in response to specific instances, meaning there is a plethora of policies covering a range of specific topics, with examples of duplication and blurring of policy, guidance and procedures.
  - There had been recent examples where the organisation has needed to call on updated and accurate corporate information/intelligence (e.g. contracts register and asset management) where the ownership of information and responsibility for policy updates needed to be clearer.

- To ensure that key operating policies (HR, Governance, Finance) are clear and simple and could be easily accessed and utilised by managers - thus saving time and resource in addressing issues and increasing their capacity

### **Scope of the Review**

- 1.5 The expectation at the outset was that 'Creating a Corporate Council' would be a rolling programme of projects, activity and initiatives to help create and embed practice and culture that support a 'one council' ethos. The initial strands of work and focus for 2015/16 were:
- Reviewing management & leadership structures
  - Reviewing employee terms and conditions
  - Developing the role of Overview and Scrutiny
  - Strengthening corporate policy and information
- 1.6 In addition the formulation of a new Strategic Plan 2016-20 was considered as one of the work streams on the basis that the Plan will set out the priority outcomes the Council is striving for, as well as articulating the organisational values and operating principles. The emerging Strategic Plan therefore needed to shape and inform the other elements of the Review.

### **Summary of methodology and approach**

- 1.7 The Review has been different to other F4F reviews as it has included separate (but inter-dependent) work streams and projects that have focussed on organisational development rather than an individual service. However, the overall approach taken to the Review has been in line with the F4F key principles and governance essentials.
- 1.8 An overall project team was established to provide oversight and critical friend challenge, and offer professional advice and guidance (e.g. HR, Legal, Finance, Internal Audit, Communications and Health & Safety) to certain aspects of the Review. The team met three times during the Review (23<sup>rd</sup> July 2015, 12th October 2015 and 7th January 2016). The full composition of the Project Team and its terms of reference are attached at [Appendix 1](#).
- 1.9 The development of the new Strategic Plan 2016-20 has been managed as a separate project (with its' own PID, project team, etc.), and the work to further develop the role and effectiveness of Overview and Scrutiny has been member-led, with a Task Group consisting of the Overview and Scrutiny Chairs and Leader of the Opposition being established to review current practice, and visit other councils who are considered exemplars of best practice.
- 1.10 The Creating a Corporate Council Review has drawn on external consultancy support and expertise to provide an independent analysis on which to base proposals and recommendations. Specifically:
- The Staffordshire Intelligence Hub was commissioned to provide a strategic evidence base to support the development of the new Strategic Plan 2016-20

- West Midlands Employers were commissioned to undertake a review of the current senior management structures. This comprised a desktop review and focus groups with managers and members in June and September 2015.
- The LGA (Workforce Consultancy Team) was commissioned to support the work being undertaken to develop a new Employee Code of Conduct and review and revise some of the key supporting HR policies (including those focussing on discipline, grievance, attendance and performance)
- The LGA (Workforce Consultancy Team) was commissioned to carry out a review of the current Employee Terms and Conditions. This focussed on comparing the terms and conditions with good and common practice from across the sector to identify areas where potential changes could provide benefits and cost savings.

1.11 In accordance with the F4F governance and reporting essentials the Project Initiation Document (PID) was considered by the Leadership Team (6<sup>th</sup> May 2015) and the Strategic Overview & Scrutiny Committee (9<sup>th</sup> June 2015). A progress report was considered by the Strategic Overview and Scrutiny Committee on 17<sup>th</sup> November 2015. In addition progress was regularly reported to the Leader of the Council (as the relevant Cabinet portfolio holder) and Leadership Team (as the F4F Programme Board).

1.12 This report seeks to collate and summarise the key proposals from the Review and its various work streams (see Section 2 below). However, there are different routes through which proposals need to be progressed and approved in terms of the Council's formal governance and decision-making arrangements, and will therefore be the subject of separate reports. For example, a new senior management structure would need to be approved via the Employment Committee, whilst a new Strategic Plan will need approval by Cabinet and Full Council. Changes to employee terms and conditions and a new Code of Conduct will need to be discussed with the Employee Liaison Group (ELG).

## **2. Summary of key findings and conclusions**

2.1 This section provides a summary of the key findings and conclusions from each of the five work streams. It also sets out the suggested/planned next steps.

### **Development of a new Strategic Plan for 2016-20**

2.2 There is a clear need to develop a new Strategic Plan. The current Plan comes to an end in March 2016 so needs renewing. But more importantly, the local context (e.g. increasing overall population and numbers of older people), the national policy environment, and continued financial challenges facing local government suggest it is fundamental to review our priorities and role as a Council. Central Government funding of local government continues to reduce and our budget in 2015/16 is £3.5million less than it was when the last Strategic Plan was published in 2012. Funding is set to decrease further.

- 2.3 It is therefore increasingly important we are clear on where we need to allocate our resources, and that we are confident we are focussing on the things that will make the biggest impact and difference. Whilst needing to take account of the key pledges and promises from the Administration's local election manifesto, the new Plan also needs to focus increasingly on those outcomes that are known to reduce demand and dependency on council services (and the wider public state).
- 2.4 Drawing on the Evidence Base produced for the Council by the Staffordshire Intelligence Hub, it is suggested the three key things that enable that are people being in employment, people staying active and healthy, and having somewhere safe and affordable to live. Engagement with elected members (Cabinet away day, Member Focus Group) and residents (focus group and 'In Touch' consultation) suggest there is broad agreement to these being areas the Council should focus on.
- 2.5 The Plan needs to articulate clearly the contribution the Council will make to the achievement of each priority outcome through its own direct delivery of services and activity. But it should also state where we will seek to influence and encourage partners and stakeholder to act, and might also begin to set out how communities can help to achieve the outcomes.
- 2.6 In addition to a focus on the three key strategic priority outcomes (vibrant & prosperous economy, healthy & safe communities, clean, green & welcoming places to live), it is also vital that the Council actively explores and pursues new ways of delivering services so that they can be delivered more efficiently and effectively. The Plan should make this clear, along with the focus and potential investment it will make in how it operates, such as the channels by which it interacts with customers. So the Plan will benefit from having a priority theme focussed on ensuring the Council is 'fit for the future'.
- 2.7 The new Plan also needs to be more measurable so that members and officers are able to demonstrate successful delivery of it. An annual review and publication of Annual Action Plans (as per the practice in the past) will help with this. In addition it is proposed that the Plan includes some measurable outcomes against each of the priority themes and helps to articulate the difference the delivery of the Plan will make come 2020. For example by supporting a vibrant and prosperous economy we will expect to see more people in employment and increased numbers of visitors who spend more per head.

Key proposals/recommendations:

- That a new Strategic Plan be approved by Cabinet (9th Feb 2016) and Full Council (23rd February 2016) and implemented from 1st April 2016.
- That an Annual Action Plan be developed for 2016/17 setting out the key projects, initiatives and activities that will contribute to the outcomes set out in the Plan.
- That the Strategic Plan is reviewed on an annual basis as part of the Annual Action Planning process to ensure it remains fit for the future.

Planned next steps:

- A draft Strategic Plan will be presented to:
  - Strategic Overview and Scrutiny Committee on 2<sup>nd</sup> February 2016 for comment
  - Cabinet on 9<sup>th</sup> February 2016 for approval and recommendation to Full Council for adoption
  - Full Council on 23<sup>rd</sup> February 2016 for approval and adoption

**Review of senior management and leadership structures**

- 2.8 There has not been a fundamental review of the senior management structure for more than ten years. The current structure and arrangements have evolved as a result of events and changing circumstances rather than by design. This historical and ad hoc development of management roles and portfolios means the configuration of some parts of the current organisational structure are now neither logical nor productive as they can be.
- 2.9 The current structures do not support or promote cross council working, and as a result the organisation lacks a corporate 'one council' ethos - something the LGA Corporate Peer Challenge in September 2014 observed. Neither is the current structure designed to facilitate the strategic thinking and corporate leadership needed to lead the more fundamental transformation required to enable the Council to respond to the current and likely future challenges facing local government.
- 2.10 A re-structure will provide an opportunity to address the current lack of corporate capacity and provide a greater focus on the organisational development, culture and values, and ways of working required to deliver the new Strategic Plan 2016-20. It will also be a chance to better develop and reward new talent, provide new opportunities for career progression and development, improve motivation and morale, and refresh the organisation so it is truly fit for the future.
- 2.11 The key findings from the West Midlands Employers review, which was informed by engagement with Directors, managers and elected members, are:
- There are a number of cultural and organisational strengths within the council that are grounded in goodwill and personal commitment from staff at all levels.
  - Tackling the structure of the organisation will help to address a number of areas for improvement identified such as silo working and a lack of corporate focus and especially in addressing transformation activity and organisational development.
  - The Corporate and Strategic deficit needs to be addressed; this means that we need a different focus from leadership on transformational change of services and the organisation which develops a culture of innovation, and effective partnership working.

- There is a need to 'close the gap' between third and second tier officers and to ensure a new third tier of Heads of Service are empowered and feel trusted.
- There is strong consensus across the top three tiers of management that there is both a need and desire for structural change.
- There is a need for realism in terms of our capacity.
- There is a desire for a structure with minimal layers of management, where each adds value.

2.12 Any new structure will need to enable and support a different approach and styles of leadership to address the transformation of services and organisational development with a strong customer focus, and productive and innovative partnership working.

2.13 The review sought to identify ways of realigning management capacity to business needs as opposed to removing capacity through a cost reduction exercise.

Key proposal/recommendations:

That a new senior management structure with the following key design features and principles be considered:

- A Chief Executive post to be retained
- 3 Directors
- 12 Heads of Service
- Flexibility across and within the structure and over time.
- Overall cost neutral compared to the running costs of the current structure.

Planned next steps:

- A report to Cabinet on 28<sup>th</sup> January asking members to consider whether they wish to formally consult on the proposed new structure, and recommending that course of action to Employment Committee (11<sup>th</sup> February 2016) and Council (23<sup>rd</sup> February 2016). (NB: This is in accordance with our usual process for decision making on such issues)
- Subject to the approval of Employment Committee and ratification by Full Council a six week formal consultation period with staff and trade unions would then take place.
- A report to Cabinet, Employment Committee and Council in May 2016 recommending implementation of the new structure. The report will summarise how consultation responses have been taken into account and provide further detail about the arrangements for the appointment of officers to the new structure including job descriptions.

- It is proposed that West Midlands Employers will provide support and guidance throughout the process to implement a new structure to ensure appropriate expertise and independence.

### **Review of employee terms and conditions**

- 2.14 The review is ongoing. It is important to emphasise that the following paragraphs summarise observations and findings from the independent review undertaken by the LGA Workforce Consultancy Team. They are not a set of proposals or recommendations. The observations and findings from the review (set out below in paragraphs 2.16-2.20 below) are now being considered by the Leadership Team. To assist this, it is proposed that two officer working groups be established, one to look at how flexible and agile working can be developed further and one to consider potential changes to car user allowances and car parking.
- 2.15 The LGA review focussed on current terms and conditions relating to overtime and bank holiday payments, flexi time, car user allowances, redundancy, and staff car parking. It involved comparing the Council's current terms and conditions with good and common practice in local government and has drawn on LGA national surveys and knowledge of practice in the sector. The review was instigated by the desire to ensure consistency and fairness across the organisation and support culture change and new ways of working, not simply to achieve financial savings. This remains the key driver. However, there may also be some opportunities to reduce costs to the Council which should be considered.

#### *Time recording and flexible working*

- 2.16 The Time and Attendance System appears to be deeply symbolic of a particular way of working and the Council should consider more modern means of measuring attendance. The amount of additional leave that can be accrued is generous at 24 days when compared to other authorities. Consideration should be given to reducing the number of credit days of leave that can be accumulated each year, along with how additional leave can be used as an incentive for measured achievement of objectives. Flexible and agile working might be better supported by different means such as nine-day fortnights, compressed hours, home working, etc. and these should be explored further.

#### *Car user allowances*

- 2.17 Practice on the payment of essential car user allowances is out of line with the majority of local authorities. Considering the size of its overall workforce, the Council has a large number of staff designated as essential car users. At the very least the current policy should be applied more rigorously by reviewing the list of posts entitled to essential user allowance. Ideally the council should consider moving to HMRC allowances for all employees who use a car for work purposes payments. An LGA survey (of local changes to terms and conditions) in November 2014 showed that 38% of councils have adopted this approach.

### *Car parking*

- 2.18 The Council should consider its current policy and practice in light of free town-centre car parking as a staff benefit being reduced or removed in many councils. (We also know that current practice and provision at Lichfield is perceived to be inconsistent across the organisation. Furthermore, we need to consider the impact of changes to city centre car park capacity, both temporary and permanent, brought about as a result of the planned Friarsgate development.)

### *Redundancy*

- 2.19 The majority of councils have reduced basic redundancy entitlements over recent years. This is entirely a local matter outside national terms and conditions. The current local scheme that includes a 1.95 multiplier is not out of line with common practice in the sector, although there are examples that are lower. However, the practice of providing additional discretionary payments appears to be used without exception and the Council should examine ways to tighten up the application of this aspect of the policy.

### *Bank holiday and standby payments*

- 2.20 There are currently different Bank Holiday pay arrangements in different parts of the council. Whilst there may be a justifiable case for making different payments for certain staff, the local discretion over such matters may not best serve the achievement of a 'one council' ethos and the rationale for the different rates should be looked at with a view to establishing a more consistent approach.

#### Key proposals/recommendations:

To establish 2 officer working groups to further consider issues, options and proposals for:

- Staff car parking and user allowances
- Flexible and agile working

The Leadership Team to consider the observations and findings from the LGA review. Any proposed changes to employee terms and conditions will be subject to formal engagement with staff and trade unions.

#### Planned next steps:

- A package of proposals will be developed and be subject to the necessary engagement with employee representatives, and ultimately will need to be approved by the Employment Committee and Full Council as appropriate.

### **Developing Overview and Scrutiny**

- 2.21 This work stream is ongoing. It is being led by a member task group comprising of the Overview and Scrutiny Chairs and Leader of the Opposition. The Group is focussing on improving the way Overview and Scrutiny operates so the Committees can make a more timely and effective contribution to key decisions and policy development.
- 2.22 One of the key findings to emerge to date is that there is scope to reduce the number of reports considered by each Overview and Scrutiny Committee so that members can provide more in-depth scrutiny of a fewer specific items. Now only reports relating to significant matters are now being routed routinely through the relevant Committee prior to Cabinet consideration. There is a need to keep the focus of Committees strategic and as such another key development is that Service Plans will no longer be routinely reported to Overview and Scrutiny Committees.
- 2.23 The Group also identified the need to develop the relationship further between the Cabinet and Scrutiny Committee Chairs, including a regular dialogue about forthcoming key decisions, policy development and other strategic matters to consider if, how, and when the involvement of Overview and Scrutiny is helpful. As a result 'Triangulation meetings' between Overview and Scrutiny Chairs, Vice Chairs and the relevant Cabinet member(s) have recently been introduced.
- 2.24 There have been other minor practice improvements relating to the provision of information, meeting administration and adopting a more strategic approach. Thinking about the latter will develop further as the Task Group visits other authorities who are considered to be good practitioners of Overview and Scrutiny and bring back learning that will help determine changes to the role and focus of Scrutiny at Lichfield, and the way it is structured and supported.

#### Key proposal/recommendations:

That the Task Group continues and focusses on reviewing/revising the fundamental role/function of O&S at Lichfield and the structure/approach that best supports that including the provision of information to members more generally.

#### Planned next steps:

- The Task Group will continue to meet and will consider visits to other councils who are considered exemplars of best practice.

### **Strengthening corporate policy and information**

- 2.25 The focus has initially been on HR policies, and particularly those that set out the expectations of staff and managers so that there is a clear and consistent understanding across the organisation about the expected standards of employee behaviour and conduct. These have become confused due to there being a plethora of policies covering a range of specific topics, with examples of duplication of policies

and a blurring of policy, guidance and procedures. The current Employee Code of Conduct is embedded within the Disciplinary Procedure which is unusual practice compared to other councils. It means the Code is specifically linked to the disciplinary process rather than a stand-alone local Code that sets out in a single document the principles, behaviours and standards expected of employees (and serves as a guidance for others who carry out work/provide services on behalf of the Council).

2.26 A new local Employee Code of Conduct has been written that sets out the principles, behaviours and standards expected of employees in a single document. The purpose of the Code is to:

- Support the effective operation of the Council's business and wellbeing of its employees
- Assist the Council's employees to perform effectively by ensuring the rules and standards of the organisation are clearly communicates; and
- Guide the Council's employees in their dealings with the public, elected members and other members of staff.

2.27 The new draft Code has been produced for the Council by the LGA Workforce Consultancy Team who have drawn on their expertise and knowledge of practice across the local government sector, and it has also been informed by input from Leadership Team, and officers responsible for HR, Legal and Health & Safety, plus comments from the Employee Liaison Group (ELG). The Code will need to be approved through the formal decision-making process, which will include formal engagement with Employee Representatives and will mean a change to the standard contract of employment issued by the Council.

2.28 The Code is supported and reinforced by new organisational values (see paragraph 2.32 below) and a range of HR policies and procedures. As mentioned in paragraph 2.25 above, there is a need to review and refresh policies so that there is:

- A clear separation of policy and procedure.
- A consistent format, with all key pieces of each policy and related procedure in one document.
- A simple/simplified processes that keep action and decision-making at the lowest line of management possible and ensure action is in line with resources available (including HR resources).
- Clear roles and accountabilities and statements of expected performance and behaviours of all parties to support new values and promote a culture of responsibility and accountability in managers, staff and union representatives.
- An emphasis on compassionate but effective management action, balancing employee well-being with the need to provide excellent services to residents.
- A faster paced process and timescales for management action.

2.29 The LGA Workforce Consultancy Team was commissioned to review and refresh the policies relating to:

- Disciplinary Policy and Procedure
- Grievance Policy and Procedure (incorporating bullying and harassment)
- Attendance Management Policy and Procedure (managing sickness and other absences)
- Performance Management Policy and Procedure (replacing the Capability Policy and Procedure)

2.30 In particular, there is a need to ensure that the above policies and procedures support the Council in becoming 'Fit for the Future' and are:

- lawful, procedurally simple and consistent across all of the documents in their style and message
- support the new corporate culture and values and to strengthen corporate governance and compliance
- reinforce the importance of line management in leading and supporting the workforce to provide excellent services

2.31 New draft policies will now be considered by the Leadership Team and be progressed through the appropriate process in terms of further development, approval and implementation.

2.32 New organisational values have been developed. These have been informed by engagement with staff through the employee survey in March 2015 and also focus groups during September-October 2015. It is proposed that the following values are adopted:

Together we....		
Put our customers first	Have respect for everyone	Improve and innovate
We are passionate about our customer service. We always listen and work with them to meet their needs. We take responsibility for things we can change and improve, and encourage our customers to do the same.	We listen to one another and understand each other's views and pressures. We appreciate each other and trust our colleagues to do a good job to the best of their ability.	We challenge each other to look for ways to do things better. We listen to feedback and learn from it so we can improve. We welcome change and move forward with confidence.

2.33 A programme of briefing sessions with staff is planned for February 2016 to raise awareness about the various changes and developments to 'working at Lichfield District Council' – to ensure there is understanding of the new Code of Conduct, potential changes to terms and conditions and the new organisational values. A simple 'Working at Lichfield District Council' handbook might then be developed that could be issued to new staff as part of their induction.

2.34 There is now a need to focus on other aspects of corporate policy and information. In particular, a register of key policies for HR, Finance and Governance summarising the purpose of the policy, the policy owner, review dates and approval mechanism will help improve understanding and clarity about the policies that support day-to-day operations and management.

Key recommendations/proposals:

- That a new Employee Code of Conduct be approved and implemented.
- That new organisational values be adopted
- That revised/refreshed policies be developed and approved for:
  - Disciplinary Policy and Procedure
  - Grievance Policy and Procedure (incorporating bullying and harassment)
  - Attendance Management Policy and Procedure (managing sickness and other absences)
  - Performance Management Policy and Procedure (replacing the Capability Policy and Procedure)

Planned next steps:

- Briefing sessions for staff planned for February 2016 to raise awareness and understanding about the planned and potential changes to ways of working at Lichfield DC.
- Development of a register of the key policies for HR, Finance and Governance summarising the purpose of the policy, the policy owner, review dates and approval mechanism.
- Further consideration of how the new organisational values can be embedded and integrated into day-to-day operations and behaviours.

### **3. Summary of key proposals and recommendations**

3.1 A summary of the key current proposals from the Creating a Corporate Council are:

#### **Development of a new Strategic Plan for 2016-20:**

- That a new Strategic Plan be approved by Cabinet (9th Feb 2016) and Full Council (23rd February 2016) and implemented from 1st April 2016.
- That an Annual Action Plan be developed for 2016/17 setting out the key projects, initiatives and activities that will contribute to the outcomes set out in the Plan.
- That the Strategic Plan is reviewed on an annual basis as part of the Annual Action Planning process to ensure it remains fit for the future.

#### **Review of senior management and leadership structures:**

- That a new senior management structure with the following key design features and principles be considered:
  - A Chief Executive post to be retained
  - 3 Directors and 12 Heads of Service
  - Flexibility across and within the structure and over time.
  - Overall cost neutral compared to the running costs of the current structure

#### **Review of employee terms and conditions:**

- That 2 officer working groups to further consider issues, and potential options and proposals for changes to employee terms and conditions, focussing on:
  - Staff car parking and car user allowances
  - Flexible working
- The Leadership Team to further consider the observations and findings from the LGA review and ensure that any proposed changes to terms and conditions are subject to formal engagement with staff and employee representatives.

#### **Developing Overview and Scrutiny:**

- That the Task Group continues and focusses on reviewing the fundamental role/function of O&S at Lichfield and the structure/approach that best supports that including the provision of information to members more generally

#### **Strengthening corporate policy and information:**

- That a new Employee Code of Conduct be approved (by Employment Committee) and implemented.
- That new organisational values be adopted and integrated.
- That revised/refreshed policies be developed and approved (by Employment Committee) for disciplinary, grievance, attendance management and performance management.

#### **4. Impact assessment- summary**

- 4.1 Impact assessments have, or will, be completed for each of the individual work streams or significant proposals being put forward.

#### **List of Appendices**

Appendix 1 – Creating a Corporate Council Project Team composition and Role

## **APPENDIX 1**

### **FIT FOR THE FUTURE (F4F)**

#### **CREATING A CORPORATE COUNCIL**

#### **Role of the Project Team**

1. To regularly receive and consider progress updates/reports from the various project work streams.
2. To provide informed critical friend challenge on progress and proposals, ensuring that the key principles and features of F4F reviews are included in the approach being taken.
3. To consider, challenge and clarify the inter-dependencies and sequencing of activity across the work streams.
4. To contribute to the project and its work streams through the provision of information and data to support evidence gathering and analysis.
5. To be champions and advocates for the project and its work streams.

#### **Composition of the Project Team**

Diane Tilley – Chief Executive  
Helen Titterton – Strategic Director  
Richard King - Strategic Director  
Graham Keatley – Financial Services Manager  
Steve Langston - Health & Safety Manager  
Bal Nahal – Solicitor  
Cathy Pepper – HR Manager  
Angela Struthers – Audit Manager  
Lizzie Thatcher – Communications Manager  
Paul Clarke (LGA)

# OVERVIEW AND SCRUTINY REVIEW

Enter title of relevant Cabinet Member for Finance and Democracy

Date: 2nd February 2016  
Agenda Item: 11  
Contact Officer: Richard King  
Tel Number: 01543 308060  
Email: richard.king@lichfielddc.gov.uk  
Key Decision? NO  
Local Ward Members All Members are affected



**STRATEGIC  
(OVERVIEW &  
SCRUTINY)  
COMMITTEE**

## 1. Executive Summary

- 1.1 To provide Members with an update on progress made in the review of the Overview & Scrutiny function.

## 2. Recommendations

- 2.1 That the progress on the review of the Overview & Scrutiny function be noted .
- 2.2 That the report be circulated to the other Overview & Scrutiny Committees at their meetings in March 2016.

## 3. Background

- 3.1 As Members will recall the Overview & Scrutiny function was reviewed as part of the LGA Peer review in September 2014.

The key points emerging were:-

- O & S were trying to deal with too much, it needed to be selective with what topics it looked at and what value could be added, concentrating more on policy and strategy to increase the corporate capacity of the Council.
  - A regular dialogue was needed between Cabinet and O & S about strategic direction and key policy items for the Scrutiny Work Programme.
  - Experiment with different forms of scrutiny to see what works best and delivers more outcome driven task and finish work.
  - A more intelligent approach to pre-scrutiny, focussing on quality not quantity.
- 3.2 Following the review, training was provided for Members on the Overview and Scrutiny function by Ed Hammond of the Centre for Public Scrutiny. This highlighted a number of points that the Council could investigate to try and improve the Overview and Scrutiny function.
- 3.3 Some were relatively easy to address for example it was recognised at the training that there were too many items on each agenda and too much information to accompany the reports.
- 3.4 It was, therefore, proposed that fewer agenda items be submitted to each Overview and Scrutiny Committee and by focussing Overview and Scrutiny more on policy and strategy there was greater potential for it to help enhance the corporate capacity of the organisation. Triangulation meetings have been introduced to assist in ensuring the right issues are addressed at the meeting channelling the valuable council resource of Member scrutiny in the right places.

- 3.5 It was also agreed that the Council should experiment with different approaches and methods on Overview and Scrutiny and a Task Group was established comprising Chairs of the Overview and Scrutiny Committees, Councillors Strachan, Cox, Leytham and Awty and the Leader of the Opposition Group Councillor Mrs Woodward, to take matters forward.

**Overview and Scrutiny Improvement Task Group:**

- 3.6 The first meeting of the Overview and Scrutiny Improvement Task Group took place on 24 November 2015.

The terms of reference for the Task Group were agreed as follows:-

- To consider ways of improving the function of Overview and Scrutiny Committee as per recommendations from the peer review
- To consider how to engage all members of Overview and Scrutiny Committees and what training would be required if needed
- To consider what topics scrutiny should focus on, when, how and what the outcome should be
- To consider the different approaches and methods of scrutiny that could be used. To ensure (1) development of outcome focussed task and finish work (2) effective value adding pre-decisions scrutiny (3) directed and forensic use of Performance and financial data (4) appropriate post decision scrutiny.

The following actions were agreed at the meeting of the Task Group: -

Provision of Information

- i. A revised template for Committee Reports be used, whereby the same template is used for both Cabinet and Overview and Scrutiny Committees. This will give O & S Members the requisite information and will bring efficiencies, as it will only require Officers to write one report as opposed to two different versions on the same subject matter.
- ii. A newsletter be produced for each Overview and Scrutiny Committee or one newsletter broken down into each O & S Committee, on a quarterly basis rather than briefing papers. The revised newsletter will be produced from 1 April 2016 and should be a far more efficient way of providing information to Members that is current and relevant.
- iii. The use of web links should be encouraged and reduction in hard copy papers with reports ideally restricted to two pages of A4 with any background documentation being included as an Appendix.

Meeting Administration

- iv. Only brief presentations be given by Cabinet Members in introducing O & S reports given that Members are expected to have read the reports prior to the meeting
- v. Seating at Committee meetings to be mixed as opposed to sitting in political groups to emphasise that the Overview and Scrutiny Committee function should not be run on political lines
- vi. Also, the Chairman of O & S Committees to address Members by first names to break down any perception of formality and positioning on political lines, giving more credence to the Committee working together as one entity
- vii. The forward plan and work programme be placed at the start of agendas to recognise their importance and the need for Members to shape their own work programmes

## Change in Strategic Approach

- viii. Where a report has been considered at Overview and Scrutiny Committee that will be considered subsequently by Cabinet, the Committee to nominate a Member from the O & S Committee to attend the Cabinet meeting to observe proceedings.
- ix. Triangulation meetings to continue between Cabinet Members and Chair and Vice Chairs of each Overview and Scrutiny Committee to look at issues within a Cabinet Member's area that would be coming forward in future months so that O & S Chairs and Vice Chairs could request a matter to be considered at Overview and Scrutiny Committee if felt appropriate
- x. That the Overview and Scrutiny Improvement Task Group visit other authorities who are considered to be good practitioners of Overview and Scrutiny to establish whether any improvements could be made to the Council's current arrangements. This will then help us to define clearly what the Overview & Scrutiny function will provide in Lichfield and help inform any structural changes that will facilitate our revised approach.

Alternative Options	1. There are a number of alternative methods for operating the Overview & Scrutiny function. Through the Peer Review and the training provided by the Centre for Public Scrutiny, they have advocated trying a number of alternative actions to determine which suits the Overview & Scrutiny function best at Lichfield
Consultation	1. Meetings of the Overview & Scrutiny Co-ordinating Group and the Overview & Scrutiny Improvement Task Group have helped inform the review to date. We will be visiting other authorities to view how they operate the Overview & Scrutiny function.
Financial Implications	1. At this stage it is not possible to forecast any financial implications of the review but if a revised structure is put in place, this may have financial implications. 2. The use of electronic links rather than producing hard copy appendices will also save the authority money.
Contribution to the Delivery of the Strategic Plan	1. In order that the Council is Fit for the Future, it is vital that the Overview & Scrutiny function operates effectively and adds to the Corporate capacity of the Council.
Equality, Diversity and Human Rights Implications	1. At this stage there are no equality, diversity and human rights implications arising out of the review.
Crime & Safety Issues	1. None directly arising from this report.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	That the Overview & Scrutiny function is not operating effectively.	Ensuring that Members are fully engaged in the review from the Overview & Scrutiny process to add to the corporate capacity of the Council .	Green

Background documents

Relevant web links