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29<sup>th</sup> August 2017

Dear Sir/Madam

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE**

A meeting of the above mentioned Committee has been arranged to take place on **WEDNESDAY 6<sup>th</sup> SEPTEMBER 2017** 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

A handwritten signature in black ink, appearing to read 'Neil Turner', written in a cursive style.

Neil Turner BSc (Hons) MSc  
**Director of Transformation & Resources**

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

Councillors Strachan (Chairman), Mrs Woodward (Vice-Chairman), A. Yeates (Vice-Chairman) Mrs Barnett, Constable, Greatorex, Powell, Tittley and White



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## AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. To approve as a correct record the Minutes of the Meeting held on 12<sup>th</sup> June 2017 (copy attached)
4. Work Programme (copy attached)
5. Fit for the Future: Our Approach to Creating a Commercial Council (copy attached)
6. Civic Function Review (to follow)
7. Update from the Innovation Member Task Group (verbal report)

### Briefing Papers

Money Matters: 2017/18 Review of Financial Performance against the Financial Strategy for the first three months of 2017/18



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

**12 JUNE 2017**

### **PRESENT:**

Councillors Strachan (Chairman) Mrs Woodward (Vice-Chairman), A Yeates (Vice-Chairman) Mrs Barnett, Powell, Tittley, White.

(In accordance with Council Procedure Rule No.17 Councillors Pritchard, Pullen, Smith, Spruce and Wilcox attended the meeting).

**APOLOGIES FOR ABSENCE** were received from Councillors Constable and Greatorex.

### **DECLARATIONS OF INTEREST:**

Councillor White declared a personal interest in any reference to Disabled Facilities Grants as he is the relevant County Council Cabinet Member.

### **MINUTES**

The Minutes of the Meeting held 30<sup>th</sup> January 2017 were taken as read, approved as a correct record and signed by the Chairman. It was requested that consensuses' made by the Committee in debates be part of the resolution to ensure those points are considered further.

**RESOLVED:** That the Minutes of the Meeting held on 30<sup>th</sup> January 2017 be approved as a correct record.

### **TERMS OF REFERENCE**

Members were reminded of the Terms of Reference for the Strategic (Overview & Scrutiny) Committee. It was requested that paragraph 15.13 regarding Annual reports to Council be actioned as it would aid promotion of the role and work of the O&S Committees. It was then discussed whether some items were more of a strategic nature than operational. The example given was Locality Commissioning as although was part of the remit of Community, Housing & Health, was also a strategic priority of the Council and therefore could be considered by this committee. The Chairman reported that he would raise these points at the next Overview & Scrutiny Coordinating Group.

### **FORWARD PLAN AND WORK PROGRAMME**

Members considered the Work Programme, Forward Plan and Corporate Annual Action Plan for 2017/18. It was reported that there would no longer be Money Matters reports as these were backward facing and no value could be added by the Committee by the time of publication. It was suggested that a MTFs Member Task group be set up with representatives from all the O&S Committees to aid the Cabinet setting the budget especially when considering the spend for statutory versus non-statutory functions. It was agreed to raise this at the Coordinating Group.

It was noted that an evaluation of the Civic Function review was required and it was agreed to reform the Member Task Group with the same Members and have a report back in September.

**RESOLVED:** That the Work Programme be noted and further updated following the O&S Coordinating Group if required.

## **MONEY MATTERS 2016/17: REVIEW OF FINANCIAL PERFORMANCE AGAINST THE FINANCIAL STRATEGY**

The Cabinet Member for Finance and Democracy introduced a report on the Council's financial performance for the financial year and the Head of Finance and Procurement, Mr Anthony Thomas, gave a presentation on the content.

It was noted that the accounts had been completed 2 months earlier than necessary in readiness for the requirement for a July completion from next year. The Committee congratulated Officers in this achievement.

It was reported there had been a further improvement on transfers to General Reserves largely due to car parking and planning fees and in the event that no actions are taken to close the Approved Funding Gap, there would only be sufficient General Reserves to balance the Revenue Budget until 2019/20

Business rates were discussed and it was reported that a small number of businesses make up a significant proportion of the Rateable Value in the area. It was reported that the council had a good relationship with these companies and various rate reliefs were available to aid this.

It was asked if there were any overage potential on the sites that were being developed on land once owned by the Council and transferred to Bromford, especially in rural areas, and it was agreed that information would be sought and sent to the Committee after the meeting.

When asked, it was reported that a very prudent line had been taken with the MTFs as the outcome of the Local Government Finance Bill was still unknown and there would be a Cabinet report on a revised policy for the application of New Homes Bonus in the near future.

Capital slippage was discussed further and it was noted that as the budget had been revised in all the Money Matters reports, there was now a relatively low level of slippage being requested for carry forward to the next financial year. When asked, it was confirmed that overall responsibility for monitoring the Capital Programme was with Cabinet and Leadership Team with scrutiny from this Committee.

The funding gap was then considered and the Committee were reassured that there had been a reduction in expenditure and a rise in income however the forecast was one of needing more to be done with difficult decisions being required.

It was noted that the projected increase in Council Tax was based on the current maximum allowed 2% or £5 rise dependant on which was higher.

- RESOLVED:**
- (1) That the report and issues raised within be noted;
  - (2) That it be noted that Leadership Team with Cabinet Members will continue to closely monitor and manage the Medium Term Financial Strategy (MTFS)
  - (3) That the Strategic (Overview & Scrutiny) Committee will monitor the MTFs through briefing papers;
  - (4) That the Strategic (Overview & Scrutiny) Committee or a Member Task Group be available to aid the development and management of the MTFs in the future.

## OUR APPROACH TO INNOVATION

The Cabinet Member for Corporate, Customer Services and Revenue and Benefits gave an introduction to the current thinking regarding innovation, channel shift and digitisation. It was reported that the Strategic Plan for 2016- 2020 set ambitions to ensure top services were fully bookable online and be user friendly enough that online contact was a first port of call by customers along with increased productivity and efficiencies and a drive to deliver good customer services. It was noted that recent Cabinet decisions had driven the need to for a number of new systems and processes not currently in place within the Council.

There was some discussion by Members on the definition of innovation and whether there should be some investigation around what the District Council should be providing and finding system solutions to suit rather than developing better systems for how the council is at this point in time. It was reported that changes were required immediately as the current systems map was weak and had a lot of unnecessary double handling of data along with a different customer experience dependant on department.

Through a presentation it was reported that there was an aim to provide a single customer experience through a one council approach to the IT estate and key to this was knowing what customers requirements were from their point of view. Current projects were then reported including linking a customer facing Revenues & Benefits system directly into customer accounts, new document management system for planning and building control and a Committee papers system although some concern was expressed regarding the cost of this.

It was asked if joint procurement of systems was being investigated and it was reported that timescales were tight and you can only move procurement on at the speed of the slowest partner. It was noted that it was intended to take the lead and ensure systems were fit for purpose for Lichfield District Council and allow other local authorities to piggy back in the future if they wished to. It was noted that the Office of the Police and Crime Commissioner for Staffordshire was currently procuring through Boeing and there was a representative from that organisation on the Officer working group called the Innovation Hub.

The Committee felt that due to a wide demographic, customers of a Council were different to that of retail and so their expectations needed to be shifted which would not be achieved overnight and knowing what a good experience would be for them needed to be understood from the beginning.

It was asked how far was the Council prepared to go with innovation and an 'Uber' style service on demand approach was exemplified. It was noted that underlying systems needed to be in place before anything else was considered.

The Chairman notified the Committee that he had approached Members to create a member task group to support the work of Officers in meeting the ambition of a better and more efficient customer experience.

**RESOLVED:** That a Member Task Group consisting of Councillor A Yeates (to Chair), Mrs Baker Mrs Barnett and Mrs Evans be established to aid the work of the Innovation Hub and develop ideas further.

(The Meeting finished at 7.55 p.m.)

CHAIRMAN

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE WORK PROGRAMME FOR 2017-18**

Item	12 June 2017	6 Sept 2017	15 Nov 2017	31 Jan 2018	Details/Reasons	Link to 2017/18 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		NT	RS
Work Programme	✓				Developing the 2017/18 work programme of the Committee.		CL	RS
Money Matters 2016/17 : Review of Financial Performance against the Financial Strategy	✓				Scrutinise the Council's performance against the Medium Term Financial Strategy. Scrutinise performance of the Treasury Management Strategy	A Well Managed Council - We'll keep a tight control and management of the Council's finances	AT	CS
Our approach to Innovation	✓		✓		Via a task group, to consider the council's emerging approach to innovation, channel shift and digitisation and required investment in new systems and ways of working. To consider the principles behind changes and to scrutinise the impact on the customer and their experience of dealing with the council.	A Well Managed Council -	NT/CT	AS

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE WORK PROGRAMME FOR 2017-18**

Item	12 June 2017	6 Sept 2017	15 Nov 2017	31 Jan 2018	Details/Reasons	Link to 2017/18 One Year Action Plan	Officer	Member Lead
Civic Function Review		✓			Report from reconvened Task Group reviewing new procedures for Civic matters 12 months on	A Well Managed Council -		CS
Our Approach to Creating a Commercial Council		✓			Via a task group, to look at options for commercialisation and to scrutinise the council's strategic approach to asset and property management including the future of the district council house, the relationship with PSP (Lichfield) LLP	A Well Managed Council - We'll keep a tight control and management of the Council's finances	DT/BW /NT	MW
Revenues and Benefits Review			✓		To scrutinise progress following last year's review.	A Well Managed Council - We'll keep a tight control and management of the Council's finances	NT/PL	AS
Medium Term Financial Strategy (Revenue and Capital) 2017-21				✓	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	NT/AT	CS
Annual Action Plan 2018/19 Directorate Top 10 2018/19				✓	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	NT/AT	Leader / AS

**STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE WORK PROGRAMME FOR 2017-18**

Item	12 June 2017	6 Sept 2017	15 Nov 2017	31 Jan 2018	Details/Reasons	Link to 2017/18 One Year Action Plan	Officer	Member Lead
Consultation Strategy				✓	To consider the council's approach to consultation	A Well Managed Council	NT/CT	AS
<b>Briefing Papers</b>								
Money Matters 2017/18: Review of Financial Performance against the Financial Strategy - April to November 2017				✓	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	AT	CS
Performance Against Corporate Annual Action Plan and Service Annual Action Plans	✓		✓		To monitor progress against targets and milestones		NT/CT	AS



# Fit for the Future: Our Approach to Creating a Commercial Council

CLLr Mike Wilcox, Leader of the Council

Date: 6<sup>th</sup> September 2017

Agenda Item: 5

Contact Officer: Billy Webster

Tel Number: 01543 308225

Email: billy.webster@lichfielddc.gov.uk

Key Decision? **NO**

Local Ward N/A

Members

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**STRATEGIC O&S  
COMMITTEE**

## 1. Executive Summary

- 1.1. The Council has a desire to become more commercial. It is proposed that the Fit for the Future (F4F) Programme will be refreshed to provide the mechanism for doing this, as well as delivering the ambitions and outcomes of our Strategic Plan 2016 - 2020.

## 2. Recommendations

- 2.1. Members note the report and its contents.

## 3. Background

- 3.1. As you will be aware the fourth strand of the Strategic plan approved by Council in 2016, is a Council that is fit for the future. This ambition underpins the delivery of our priorities
- 3.2. The fit for future (F4F) programme was introduced in May 2013 to help make the organisation financially and functionally fit for the challenges facing local government. Since then, this successful programme has helped to identify a range of service improvements and deliver nearly £2 million of savings. The brand and the process has been refreshed in 2015, when a series of corporate projects were introduced, including; the management restructure. Now that this is in place and functioning it is appropriate to reflect on where to go next, reposition its ambitions, and create an outline for a revitalised F4F programme.

### 3.3. Refreshed F4F Programme

- 3.4. F4F will remain as the transformation programme and will be repositioned from delivering service reviews to focus on delivering the ambitions and outcomes of our Strategic Plan 2016 - 2020. This will incorporate the desire to become a commercial council, and so oversee a range of projects that seek to undertake three areas of commercialisation:
  - maximise innovation to provide efficient and effective services to our customers,
  - instigate best practice methods of setting, reviewing and maximising income from current and new sources,
  - establish a range of prudent investments that provide sustainable long-term returns that remove the need for Government grants,
  - This will be underpinned by the creation of a culture of commercialisation, thereby ensuring we all have the necessary skills, knowledge and behaviours.

### 3.5. Legacy Projects

- 3.6. The F4F programme will continue to oversee and support the delivery of legacy projects, where work has begun but not completed, for example; the service review of revenues and benefits. However, there will be a clear timetable for completion in order to focus efforts on the new programme.
- 3.7. There will be some projects that were previously identified, that will be fully incorporated in to the new programme, for example; development of our people strategy and review of policies.

**3.8. Programme Governance**

- 3.9. A Programme Initiation Document (PID) has been created to outline the full expectations of the F4F Programme. It has a clear scope and some ambitious targets, all of which are required to bridge the gap in the future revenue budget, and deliver our key outcomes for 2020.
- 3.10. The programme will be led by the Director for Transformation and Resources, and driven by the Assistant Chief Executive. To ensure sustainability, the projects will be transferred to a ‘business as usual’ operating model as they are implemented.

**3.11. Programme Funding and Support**

- 3.12. Programme management and support is proposed be funded through reserves, with over £200k identified to enable sufficient resources, including some funding for scoping and consultancy (subject to approval at Council in October 2017). Other resources, mainly people’s time, will be pulled in to the programme as projects are determined, scoped and launched. Time will be closely managed to ensure there is limited strain on business as usual, or other change programmes.
- 3.13. In addition to our own funding, a grant of £7k is being sought through the LGA Productivity Experts Programme, which will give 12 days or more of time from a pool of productivity experts who can provide support across a range of issues. They could be from any sector and will have experience of the work we are currently undertaking, and a proven ability to work with councils and deliver results.

**3.14. Programme Dependencies**

- 3.15. There will be close links between the F4F programme and other projects and programmes across the council. Most notably, the work around our ICT strategy and innovation will enable digitisation and channel shift, while the work around our people strategy and organisational development will support cultural change and skills development.

**3.16. Communication and Engagement**

- 3.17. Time has been taken to begin updating Brian to reflect the current position and proposed programme, with staff briefings set up to inform and enthuse staff by providing a clear vision and direction. These events will be used to raise awareness and gain support for the proposals as well as beginning to engage our people in this exciting programme.
- 3.18. A similar exercise is proposed with members, through several bite-size engagement and development events, providing knowledge and skills that underpin the programme and our commercial approach. Further work will be done as the programme progresses to engage members in shaping the direction and outcomes, while keeping them informed and celebrate success.
- 3.19. As part of the programme a renewed effort will be placed on collecting ideas from our customers, staff and members, on how we can improve and innovate.

<b>Alternative Options</b>	1. Not Applicable.
<b>Consultation</b>	<ul style="list-style-type: none"> <li>1. Leadership Team</li> <li>2. Cabinet</li> <li>3. Overview and Scrutiny by way of this report.</li> </ul>
<b>Financial Implications</b>	1. Programme management and support of around £212k over three years. This is being recommended to Cabinet and Council in the MTSF money

	<p>matters report scheduled for discussion at Cabinet on 5<sup>th</sup> September and at Council on 17 October 2017. This would be a movement from reserves.</p> <ol style="list-style-type: none"> <li>2. Savings through innovation and efficiency. These will be calculated on a case by case business when projects are being established. They cannot yet be measured</li> <li>3. Increase in income. This will be calculated on a case by case business when projects are being established. They cannot yet be measured</li> <li>4.</li> </ol>
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Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> <li>1. This will support the Council's Strategic Objective to become 'Fit for the Future', and enable delivery of the strategic plan objectives across all three priority areas.</li> </ol>
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Equality, Diversity and Human Rights Implications	<ol style="list-style-type: none"> <li>1. There is no foreseen impact of the programme. Individual projects will be assessed on a case by case basis.</li> </ol>
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Crime & Safety Issues	<ul style="list-style-type: none"> <li>• There is no foreseen impact.</li> </ul>
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	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Resources not approved	Appropriate approvals being requested through Cabinet and Council with clear business case.	G
B			
C			
D			
E			

<p>Background documents.</p> <ul style="list-style-type: none"> <li>• Strategic OSC Report - 2nd Feb 2016 - Creating a Corporate Council</li> <li>• Management Restructure - Report by West Midlands Employers on the current structure and options - 15 January 2016</li> <li>• F4F Programme Report - cabinet July 2015 - final 220615</li> <li>• F4F Programme Report- strategic O&amp;S 9th June 2015</li> </ul>
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<p>Relevant web links</p> <p><a href="https://brian.lichfielddc.gov.uk/Departments/fit%20for%20the%20future/SitePages/Home.aspx">https://brian.lichfielddc.gov.uk/Departments/fit%20for%20the%20future/SitePages/Home.aspx</a></p>
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