

<u>Committee and Date</u>	<u>Item</u>
Performance Management Scrutiny Committee	
16 November 2016	
	<u>Public</u>

Financial Strategy Task and Finish Group Report – Corporate Plan 2016/17 to 2018/19 and Strategic Action Plans

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Summary

This report presents Performance Management Scrutiny Committee with the observations and recommendations of the Financial Strategy Task and Finish Group following their consideration of the feedback from Staff and Members on the Corporate Plan, the redrafted Corporate Plan and the draft Strategic Action Plans for the coming 12 to 18+ months.

The Task and Finish Group undertook their work over three meetings and considered and challenged the documents, particularly in relation to the level of ambition for Economic Growth over the coming years and the move to Shropshire Council being part funded locally through Council Tax and the retention of 100% of business rates. They also recognised the importance of being able to update the Strategic Action Plans with new or revised Council Strategies and developments such as the Economic Growth Strategic Plans that will be developed to deliver the emerging Economic Vision.

The overall view of the Task and Finish Group was that the redrafted Corporate Plan had taken good account of the feedback received and was a better document than the draft presented to Council in July 2016, and that the Strategic Action Plans were heading in the right direction.

Recommendations

- A. Measures in the strategic action plan need to be underpinned by a clear view of the specific nature of the need, evidence of what works, and an understanding of the current (baseline) position.
- B. The Corporate Plan, through the Strategic Action Plans, must set out the Council's ambition for the coming years, especially in terms of developing the economy.

Opportunity Risk Assessment

The Corporate Plan is an essential component of the Council's Strategic Planning, Governance Assurance Framework and the Opportunity Risk Management Strategy. The plans need to link up, and together support and provide direction for the Council to achieve its objectives, including delivering a balanced budget. Failure to do so and fully implement the changes required will put the Corporate Plan at risk.

Regular performance reporting against delivery of the Council's objectives established in the Corporate Plan, including through Strategic Risk Reporting will in turn provide assurance to Members and Officers that the Council is achieving against its plan and that strategic risks are being monitored and managed, or on an exception basis activity for improvement is identified. This in turn will provide reflection on and assurance as to the strength of the governance environment.

All Committee reports to Members will continue to report on opportunities and the associated risks and these in turn should be linked to the delivery of the Council's outcomes as set out in the Corporate Plan.

Financial Assessment

Although there are no financial implications directly related to this paper, there is a significant relationship between the Corporate Plan and the Financial Strategy. The Corporate Plan sets out the Council outcomes and objectives which will achieve the requirements of the Financial Strategy, and as such its delivery.

Report

1. Context

- 1.1 The draft Corporate Plan and draft Strategic Action Plans have been considered by the Financial Strategy Task and Finish Group in line with its Terms of Reference to consider plans and proposals as they develop.
- 1.2 The Corporate Plan and Strategic Action Plans provide a high-level view of the direction and changes that the Council will be taking over the coming years. They are set out in a way that will enable the plans to deliver change to be flexible and responsive to changes in policy and priority locally and nationally, set within a framework which describes what the Council is seeking to achieve through the High-level Outcomes.
- 1.3 The development of the draft Corporate Plan and draft Strategic Action Plan has taken account of the different strategies and plans of the

Council. This helps to ensure that their delivery is integrated into actions and any gaps or opportunities to develop or refresh and refocus strategies to deliver the Council's High-level and medium term outcomes are identified.

2. Observations from the Task and Finish Group work

2.1 Redrafted Corporate Plan

- 2.1.1 During their consideration of the feedback received on the Corporate Plan from staff and Members, the Task and Finish group identified that the majority of points raised should be taken forward and used to inform the redraft of the Corporate Plan. They emphasised the importance of ensuring that the Corporate Plan needed to be appropriate for all areas of Shropshire.
- 2.1.3 The redraft of the Corporate Plan was updated following the feedback from the Task and Finish Group and the amended version shared with the Task and Finish Group at their meeting on the 19 October 2016. The Task and Finish Group Members reviewed the Context and High-level Outcomes sections and confirmed that they were happy with the way that the feedback from staff and Members had been incorporated, and with those sections of the document.
- 2.1.4 The Task and Finish group identified that they would like the Corporate Plan to be ambitious, in particular in relation to Economic Growth in Shropshire; especially in light of the changes to local government funding by Central Government, moving the Council to be funded locally through Council Tax and the 100% retention of business rates.
- 2.1.5 They were made aware of the changes to Business Rate thresholds, and how this would mean that in order to generate more funding locally, the Council would need to attract and enable more, larger businesses to locate in Shropshire, and work with local businesses to help them realise their expansion plans and ambitions.
- 2.1.6 Their discussion of the opportunities and degree of ambition for economic growth identified a number of specific areas which should be taken into account in the Strategic Action Plans and in the development of new Economic Growth Strategic Plans:
 - Developing a clear view of the types of businesses and industry which would be good to attract to Shropshire
 - Understanding what types of businesses are and might be attracted by some of Shropshire's natural, environmental, geographic, communications and demographic characteristics

- Maximising the value of the cultural and natural capital of Shropshire, including their role with tourism and the visitor economy
- Working with existing businesses and industries to understand their ambitions for the future
- With this understanding, the value and attractiveness of the different areas of Shropshire to different businesses or types of industry should be taken into account in relation to strategic economic development considerations and strategic Housing Planning; maintaining a view of related lifestyle choices and health and wellbeing considerations
- Recognising that there are high value jobs already attracted to Shropshire such as Environmental and Hydrological Consultancies, and understanding what makes Shropshire attractive to them
- Investing to generate income was central to enabling more ambitious opportunities to be pursued, but this would need to be balanced with the generation of income sufficient to cover any repayments and off-set reductions in Government funding
- Greater clarity on the Council's role as an enabler or in direct delivery in terms of economic development was suggested e.g. should the Council be focused on promoting Shropshire to target sectors or businesses and encouraging the right sites to be serviced and made available
- Working with private sector companies and agents to inform plans and ensure that land and development for Economic Growth responds to opportunity and need within the Council's wider planning and development framework
- Working with Town and Parish Councils to identify employment land in their areas
- Establishing how the Community Infrastructure Levy, Section 106 agreements, and New Homes Bonus is currently used in Shropshire, and whether there are more opportunities to use these monies to contribute to opening up employment land in Market Towns, e.g. by contributing to the cost of putting in place services and infrastructure
- Looking outside Shropshire for examples of economic development options and opportunities that would not initially come to mind, drawing on relationships with organisations such as universities to understand their learning from work with other local authorities
- Ensuring that opportunities related to the development of Combined Authorities, in particular the West Midlands Combined Authority, and large national infrastructure projects such as HS2 are identified and pursued to inform strategies and plans

2.2 Strategic Action Plans

- 2.2.1 The Task and Finish Group worked through each of the medium term outcomes and objectives in the Strategic Action Plans and considered the actions, milestones and measures. Through this work is the need to be able to evidence what was working and where there were issues affecting the delivery of the Council's high-level and medium term outcomes through robust information and measures of success. This was highlighted as a particular area of focus for targeting and measuring actions and interventions related to preventative activity e.g. for Health and Social Care.
- 2.2.2 With the level of changes to how services are delivered being made, and developments to help deliver outcomes and reduce demand the Task and Finish group supported the inclusion of milestones in the Strategic Action Plans and in the council's Performance Management Framework. This will enable change to be measured, and with the use of customer feedback, be able to take a view of impact in the short and medium term.
- 2.2.3 Having reviewed the draft Strategic Action Plans the Task and Finish Group concluded that they were moving in the right direction, including the ambition for Economic Growth was represented, and that they set out the key areas of focus for the Council in the coming 12 to 18+ months.
- 2.2.4 The ability and need to ensure that they are flexible and can respond to changes to local and national policy and priorities was considered essential e.g. where new Economic Growth Strategic Plans are developed. The review of the Strategic Action Plans also prompted a discussion of the Members' important Corporate Parenting role.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Financial Strategy – Budget 2017/18 – 2018/19 (Cabinet, 18 May 2016)

Draft Corporate Plan 2016/17 to 2018/19 (Council, 21 July 2016)

Cabinet Member (Portfolio Holder)

Cllr Malcolm Pate

Local Member

All

Appendices