

OVERVIEW AND SCRUTINY COMMITTEE
18 July 2017

***PART 1 – PUBLIC DOCUMENT**

AGENDA ITEM No.

11

TITLE OF REPORT: CORPORATE PLAN 2018 TO 2023

REPORT OF: STRATEGIC DIRECTOR OF FINANCE, POLICY & GOVERNANCE

EXECUTIVE MEMBER: COUNCILLOR RAY SHAKESPEARE-SMITH

COUNCIL PRIORITY: ATTRACTIVE AND THRIVING / PROSPER AND PROTECT / RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

This report recommends the Corporate Plan for 2018/23 to guide and inform the 2018/19 Corporate Business Planning Process. The updated version of the Plan acknowledges the continuing financial constraints faced by the Authority and the inherent need to review on-going provision of services at their current levels to ensure they remain relevant to the community. It also reflects the aspirations to find new ways of generating revenue income to support service delivery.

2. RECOMMENDATIONS

- 2.1 That Cabinet recommends to Full Council the adoption of the Corporate Plan 2018 to 2023 as attached at Appendix A.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The Council is required to have a suitable, high level strategic policy document to inform its corporate business planning process, and Council is required to approve the final Corporate Plan document as the formal, overarching policy framework for the authority.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 No external consultation has been undertaken in the preparation of this report. The Overview and Scrutiny Committee will consider the draft Corporate Plan at the meeting on 18th July 2017. Members will be aware that consultation is an integral part of the Corporate Business Planning process, and consultation on the individual actions and projects planned to support the Objectives will be carried out in accordance with the Corporate Business Planning Timetable and the Council's Consultation Strategy. Wherever it is available, use will be made of valid opinion research data and, where applicable, outcomes of the Districtwide Survey.
- 5.2 As in previous years, Member workshops will be held in regard to corporate business planning proposals, in addition to seeking the views of the Finance Audit and Risk Committee, the North Hertfordshire Partnership (LSP), parish, town and community councils, panel of residents, statutory partners and business ratepayers views as appropriate

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 3rd March 2017.

7. BACKGROUND

- 7.1 Before considering the detailed budget position for the authority, the Corporate Business Planning Process requires that the Council's high level objectives are determined. At its meeting on 13th June 2017, Cabinet agreed that there should be no change to the Corporate Objectives.
- 7.2 The Council's budget and its objectives are inextricably linked. There is no point in having a service or key project that cannot be funded and no point in spending limited resources (including staff resources) if they are not achieving the objectives that have been set. This aligns the agreed Policy of the Council with the finances which will deliver it.
- 7.3 The Medium Term Financial Strategy (MTFS), proposed for adoption in this same committee cycle, informs the Council's budgetary position and ensures that policy and budget, especially at times of increasing financial constraint, are aligned.

8. RELEVANT CONSIDERATIONS

- 8.1 The Corporate Plan attached as Appendix A narrates the opportunities and risks facing the district, and also identifies the things the Council will do to ensure the Corporate Plan is being delivered. Budgets must then be allocated to ensure their achievement; this is known as 'policy led' budgeting and enables the authority to best reflect not only services it must deliver by statute, but those over which it has a degree of discretion.
- 8.2 The ongoing financial constraints make it increasingly likely that the emphasis for Council spend will be on the day to day service delivery, firstly of those services that the Council has a statutory duty to provide and secondly of those which the Council has determined are a priority to be funded.

- 8.3 The Corporate Plan therefore needs to reflect any recent changes in:
- Legislation, which may require changes to existing services, or delivery of new services
 - Capacity, since the authority has reduced headcount over recent years whilst statutory requirements placed on the authority have continued to rise
 - Financial constraints – work on future funding of local Authority Services through 100% retention of Business rates has been halted and it is unclear when and if it will restart. The anticipated Finance Bill was excluded from the Queen’s speech and this has added greater uncertainty into financial forecasting.
 - Population – the need to plan for an ageing population which requires health, social care and Council service providers to consider how necessary support can be provided together.
 - Patterns and location of deprivation have changed in the past five years (evidenced by the Indices of Multiple Deprivation) so we should ensure that our services, and how they may be delivered, respond accordingly to these; in times of increased financial constraint it is all the more important that limited resources, both those of the Council and its partner agencies working in the local community, are directed to areas of greater need.
- 8.4 Having considered the relevant factors, the three objectives proposed to inform the Council’s Corporate Budget Setting 2018/23 remain;
- 1. To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and the disadvantaged are supported**
 - 2. To promote sustainable growth within our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage**
 - 3. To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.**
- 8.5 Subject to Cabinet’s consideration, the Corporate Plan at appendix A will be referred to Council for adoption on 31st August 2017. All projects included in the Corporate Plan will be subject to sound business cases being provided, and specific targets established as they are introduced and the Council’s performance against these will be monitored and reported.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet’s terms of reference include at 5.6.35 the power, by recommendation “to advise the Council in the formulation of those policies within the Council’s terms of reference”.
- 9.2 Full Council’s terms of reference provide “approving or adopting the policy framework which at 4.2.1 (f) include “Priorities/ Objectives for the District.” The Corporate Plan 2018/23 at Appendix A represents the objectives and priority areas of work
- 9.3 The corporate objectives agreed for 2018/23 onward will provide high level reference points that will assist the Council making clear and effective decisions.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no specific revenue implications from adoption of the objectives and the Corporate Plan although there will be both revenue and capital implications from the provision of services to support the objectives and these will be agreed as part of the corporate business planning process which will culminate in February 2018 with the setting of the budget for 2018/19.
- 10.2 It is clear that the Council will continue to face difficult spending decisions in view of the current economic climate and the continuing reduction in government support in future years and that the availability of funding will impact on the services that can be delivered. Individual projects will be costed to ensure that the overall programme of activity across the Council can be achieved within the agreed budget assigned and that there is capacity to deliver within the proposed timeframe.
- 10.3 The Council received significant capital funding from the housing stock transfer to North Herts Homes (set-aside receipts). It has supplemented this with the receipts from the sale of surplus land and buildings (capital receipts). The strategy adopted by the Council has been to concentrate capital funding on those schemes that reduce revenue costs or generate income. Over the next five years it is forecast that the set-aside receipts will all be used, and therefore capital funding will have to come from capital receipts or borrowing. The availability of assets that can be sold to generate capital receipts is also reducing. It is therefore important that any agreed capital projects reflect corporate priorities, to ensure effective use of diminishing capital resources particularly in view of the fact that capital spend is also required to maintain existing service provision.

11. RISK IMPLICATIONS

- 11.1 Adoption of the Corporate Plan and within it the Council's objectives for 2018/23 commences the Council's Business Planning processes for the next financial year. A robust Corporate Business Planning process is key to managing the Council's top risk of "Managing the Council's Finances".

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 In setting its Corporate Objectives, the council is seeking to address equality implications in the services it provides and through the remainder of the Corporate Business Planning Process will carry out Equalities Impact Assessments for those Efficiency or Investment options that are taken forward.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 There are no additional human resource requirements arising from this report other than the matter of capacity raised at paragraph 8.3. The resources needed to deliver services are considered and addressed through the Corporate Business Planning process and staff are reminded of the objectives once agreed.

15. APPENDICES

- 15.1 Appendix A – Corporate Plan 2018-2023

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

- 17.1 Corporate Objectives 2018-23 (Cabinet June 2017).