

**KEY DECISION - NO****CORPORATE POLICY & STRATEGY****SUMMARY AND RECOMMENDATIONS:**

The report follows the previous report presented to Cabinet (CX2004 – APRIL 28 2020) by the Chief Executive outlining the council's response to the Covid 19 Pandemic.

This report outlines proposed changes to the corporate policy and strategy function of the Council and explains how the function will be strengthened in the areas of policy response and development, strategy, performance, risk, emergency planning and business continuity.

Cabinet is recommended to:

- (i) Note the challenges faced by the Council highlighted within the report
- (ii) Approve the changes to the Policy & Strategy function as outlined and approve a change to the budget to make available the amount of £50k from recently received Government grant to fund the changes.

**1. INTRODUCTION**

- 1.1 The report outlines proposals to improve and enhance the policy and strategy support available to the Council in the current environment. The challenges faced by the Council are continually changing and as such the way the Council provides its services has to respond to those challenges in the context of an ever-changing environment mostly brought about by external pressures and shifting conditions.
- 1.2 As Chief Executive I am tasked with organising the Council structures in such a way as to meet those challenges whilst ensuring that priorities are delivered in a sustainable and affordable way. This report outlines a number of specific changes but also sets the context of a changing environment and brings to Members attention those challenges that they should be mindful of going forward.

## 2. BACKGROUND

### External Context – Pre Covid 19 Narrative

2.1 The December 2019 election saw the government returned with a significant majority. This means that the government can now move forward with a national policy agenda at speed to overcome the slow pace of the past three years. There will be many areas of new policy development. Those that will affect local government and the Council include but are by no means limited to:

- Brexit & Future Growth
- Climate Change & Sustainability
- Health Improvement & Social Care
- Devolution (local services & provision)
- Police & Crime including extremism
- Town Centres
- Education
- Finances – including investment & local government funding review

### Challenges

2.2 Changing policy areas will have implications and challenges for the Council. One of which can be an increasing degree of uncertainty. The Council will need to be focussed and react appropriately to the specific policy area with speed. The effects of austerity are still being seen on the Council's finances despite a more commercial approach being adopted with significant increases in income.

2.3 There will be opportunities within the changing policy environment, but this will only increase the resources needed to take advantage of them in the short term. What is clear is that the Council will need to be focussed on collaborating with a range of partners both from the public and the private sectors particularly in relation to developing the economy and in securing economic prosperity and growth.

2.4 The Council will want to continue its support to local communities, supporting community resilience where it can and developing the capacity locally to enable communities to help themselves. Changing consumer trends and changes in public attitude will all affect how the Council operates, how it responds to the challenges it faces and probably most importantly how it communicates and engages with people whilst improving the experiences and life chances of residents, visitors and the environment for business.

2.5 A focus on place shaping will continue with the Council (and its Members) no doubt wishing to increase resources in this area in order to see an acceleration in delivery and the pace of change.

- 2.6 The focus on place shaping demands that resources are re-aligned and integrated in order to secure inclusive growth, the sustainable redevelopment of town centres and the provision of more and better-quality leisure provision and developments.
- 2.7 During the last three years the Council has moved forward and made significant progress in a number of areas whilst maintaining very good day to day services. Front line services have largely been protected by slimming down other service areas and by investing in commercial properties. Two peer review reports have highlighted the success that has been achieved.
- 2.8 A new senior structure has been introduced and embedded. The Council has also restructured its policy and scrutiny functions which are now much more effective and allow involvement by all Members. Shadow arrangements have been brought in to support the opposition which leads to a better understanding of services and provision in all areas.
- 2.9 The Council has adopted a new approach by developing and agreeing a vision until 2030 aligned to a 3-year corporate planning process. The Council will need to discuss and consider its future alliances, its appetite or otherwise for sharing and collaborating with public, private and voluntary sector organisations throughout the planning period.

### **3. DETAILS OF THE PROPOSAL**

#### Post Covid 19

- 3.1 The Coronavirus Pandemic added to the demands of the sector and the Council was forced to respond to an unprecedented event along with partners, stakeholders and the community. The Council did so and managed to maintain most services and also managed to achieve a new model of working within a very short period of time.
- 3.2 The crisis has speeded up the adoption of new models across the sector and the way in which certain services are provided. The Council will have an important role in the recovery effort, and will need to provide support and resources in a number of areas including:
- Community protection and assistance
  - Economy, regeneration and housing
  - Communication and engagement
  - Recovery and review of services
  - New ways of working
  - Finance and commercial
  - Democracy and governance
  - Policy, risk and response
- 3.3 The recovery effort is likely to last longer than typical for emergencies of this nature being unlike anything experienced before. This focus could take up to 2 years and will require a new mind set and a review of priorities and

actions that could see some delayed, parked or cancelled. This will be made more difficult by an environment that will likely see reduced income (from fees, charges, commercial sources and the impact of a recession albeit potentially short), increased expenditure and increased demands and expectations from the local community.

3.4 There are in order to provide better alignment of resources to priorities over this period a number of key areas require further attention and consideration as far as council services are concerned:

- Executive Leadership Team
- Policy, Risk & Communications
- Financial & Cost Management
- ICE Programme – the New Norm

#### Executive Leadership Team (ELT)

3.5 The team was established as part of the restructure in May 2018 and was designed to strengthen (at an officer level) the strategic leadership of the council. This has been successful and alongside the Corporate Leadership Team (CLT) which focusses on the corporate management of the Council it has been successful.

3.6 Following the crisis and also as a result of the changing policy landscape prior to it the role of the ELT is even more important. The team need to be freed up to spend more time considering policy and strategy, planning for the future and leading change within the organisation. The Council needs to be able to flex to fit the future in an ever-changing environment. Members should expect more support at the executive level and this should be considered speedily.

3.7 The ELT requires further support at a senior level particularly in relation to the areas of:

- Policy
- Strategy
- Risk
- Emergency Planning and Business Continuity
- Covid 19 Recovery
- Performance

3.8 It is therefore my intention to create a new role of Assistant Chief Executive (ACE) remunerated at Executive Head of Service level and an associated office, relocating existing roles that support the areas concerned.

#### Policy Response & Development

3.9 As outlined earlier policy changes are expected in a number of areas. In addition to the challenges arising from Covid 19 there will be further major challenges particularly related to waste and recycling, housing growth and

development, devolution and changes to local government structures and the continuing drain on resources.

- 3.10 It is important that the Council has an effective policy function that can horizon scan, consider the implications and opportunities of any policy developments as related to local government, produce quality information and reports, brief Members effectively and translate developments into realistic and feasible options for the ELT and the Cabinet.

#### Risk, Emergency Planning & Business Continuity

- 3.11 Whilst the Council manages risk reasonably well the process that is used is not as documented and formalised as effectively as it could and should be. It is important that this is improved in the short term in order to ensure that the Council is able to effectively horizon scan and protect itself from its exposure to risk.
- 3.12 Following the Coronavirus Pandemic and all that was thrown at the Council it became clear that there is a requirement to link the Council's approach to emergency planning and business continuity. The Council and its people responded beyond expectations during the Pandemic but a closer link of these two areas would have aided the effort. These proposals deal with this issue and will ensure a more joined up approach. It is also proposed to designate the ACE post as Senior Risk Officer (SRO)
- 3.12 The new post will also lead on the Council's recovery programme – namely to coordinate the response and ensure that the recovery plans dovetail and integrate with the Council Plan and other programmes.

#### Community and Voluntary Sector

- 3.13 During the crisis the Council worked hard in its community response and was able to facilitate support to the community and voluntary sectors. The Council was very successful with partners on developing its community interventions to support vulnerable people. This support is continuing and is likely to do so for the foreseeable future.
- 3.14 During the recovery phase the Council will wish to continue its facilitation role and therefore in appointing an ACE the Council will release a large area of responsibility from the existing Head of Democracy, Strategy and Partnerships allowing him to focus more on the community sector.

#### Financial and Cost Management

- 3.15 The Council's finances are challenging as is the case for most other local authorities. It is highly likely that this situation will continue for the foreseeable future. For 2020/21 the Council is in a reasonable position and the MTFs and Capital Programme reflect the level of ambition of the Council and its Members. This of course brings its own challenges and requires careful management and ongoing review.

- 3.16 The Council had set a balanced budget, notwithstanding the fact that there were significant challenges across MTFs period. The budget relied on significant income and savings. There would also have been a requirement to find further savings with an emphasis on the prioritisation of services and cost reductions as opposed to increasing income further.
- 3.17 Once again, the Pandemic has caused a huge shockwave causing the Council's finances to take a significant hit. Whilst conversations are happening with Government and despite reassurances from them it is far from certain what money will be forthcoming to cover the losses. This increases the importance of not growing the base budget and makes the review of services to drive down costs and prioritise even more important.
- 3.18 It is worth mentioning also the importance of the ICE Programme in driving out cost and achieving financial efficiencies. This programme requires drive and attention from senior managers and Cabinet Members alike and is the Council's primary cost reduction programme.
- 3.5 Further changes to how the Council operates in the future may be required in due course particularly in relation to how services work together, support each other and how resources are prioritised.

#### **Alternative Options**

- 3.6 The alternative option is not to reorganise the functions highlighted and continue as now. However, this would not improve the Council's policy and strategy position.

#### **Consultation**

- 3.7 The Leader and Deputy Leader have been consulted as has the Leader of the Opposition and the Executive Leadership Team.

### **4. IMPLICATIONS (of proposed course of action)**

#### **Risks**

- 4.1 The proposals strengthen the Council's approach to managing risk and will ensure a better approach in risk mitigation.

#### **Legal Implications**

- 4.2 There are no additional legal implications arising from the report.

#### **Financial and Resource Implications**

- 4.3 The cost of creating the ACE post including on costs with a small budget is in the region of £100k pa. The report requests 6 months (£50k) funding for the post. The post will be recruited to on a permanent basis with a subsequent saving to allow its continuation identified by the ELT within 6

months. It is proposed to allocate the £50k requested from the recent allocation of £934k from the Government for Covid related costs.

### **Equalities Impact Implications**

- 4.4 Equalities Impact Implications (guidance note refers).

#### **Other**

- 4.5 N/A

## **5. CONCLUSION**

- 5.1 Locally, the economic environment was a positive one with a vibrant dynamic economy that builds on key sectors including aviation, manufacturing, technology, research & development and increasingly destination management. There are opportunities for growth arising from the area's geographic location and connectivity.
- 5.2 The Council is leading on this agenda and is driving forward its aspirations. The Council is well placed to take advantage of these opportunities beyond Covid 19 and punch above its weight and there are opportunities to become a great destination in terms of local natural leisure provision and heritage as a world leading brand and offer.
- 5.3 Socially, the area has challenges in terms of pockets of deprivation. Certain wards require extra interventions both in terms of access to jobs, education and health inequalities. These social challenges can only be addressed by working hard with key partners and by focussed targeted interventions on a ward by ward basis. In this regard the Council will need to show strong community leadership and an ability to act and "get things done". This once again requires resource in order to facilitate improvements with key partners.
- 5.4 Connected to this are the wider challenges facing the public sector, increasing demand for services with reducing resources particularly in terms of health and social care. The challenges for provincial towns and town centres are ever increasing with the changing face of retail and the high street. Increasing demands on local infrastructure add to the challenges alongside the increasing community concern for the environment.
- 5.5 Opportunities exist for public sector organisations to work together to improve the life of residents through better and joint commissioning of services, by planning for infrastructure improvements and changing the way local towns work, improving local environmental quality and hence "the place".

- 5.6 By taking advantage of every opportunity and by being flexible and pragmatic the Council can lead the way locally, regionally, nationally and internationally to “lead the change” and to create a better borough. Internally, the demands on senior roles will increase being those roles that require enhanced strategic and corporate thinking. Alongside this, roles that manage and drive time limited projects will become very important in delivering Member’s aspirations and ambitions.

**BACKGROUND DOCUMENTS:**

Chief Executive’s Covid 19 Report to Cabinet 28 April 2020

**CONTACT DETAILS:**

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