

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF FULL COUNCIL 13 January 2016

PART A : REPORT

SUBJECT: 2020 Vision – Working together for a better future

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DATE: 17 December 2015

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EXECUTIVE SUMMARY:

Following the LGA Corporate Peer Challenge Review in March 2014, the Council has been considering how it needs to change to reflect the predicted shift in the population and business needs for the future, in the knowledge of the Council's reducing financial stability.

The 2020 Vision programme has been established to provide the strategic direction required to help the Council become a more effective and sustainable one and to enable it to meet future demands that are placed upon it. The Council is facing a challenging financial climate and changing customer expectations. It also need to strengthen its relationships with local organisations and communities and must offer more digital opportunities to make dealing with it easier. The decisions made now must not only enable the Council to achieve savings today, but they must serve well into the future. It is imperative that as an organisation, the Council adopts a united approach and work cohesively to succeed. There is a great deal to consider and this is an evolving programme where every Member and officer must make a difference and help the community (the customer).

The report will, if supported by Full Council, provide a 'direction of travel' for the next few months in relation to business cases to help establish the Council's 2020 Vision for the future.

RECOMMENDATIONS:

It is recommended to Council that:

1. The projects identified in paragraphs 4.1 and 4.2 of the report be agreed and Officers collate further information to allow decisions to be taken by Members in the future.
2. Council supports an estimated sum of £120,000 being included in the proposed 2016/17 revenue budget to enable the highlighted projects to progress.

1. BACKGROUND

1.1 LGA Corporate Peer Challenge (19-21 March 2014)

Headlines were presented to Full Council (30 April 2014) and an Action Plan agreed (Full Council 18 June 2014). In summary, the report (May 2014) is very positive, highlighting a “strong top team” leadership from the Leader, Cabinet and the Chief Executive, Resources Director and Deputy Chief Executive and Directors that constitute the Corporate Management Team (CMT).

1.2 However, the report did highlight that there are a number of issues for the Council to consider, in particular:

Given there is no ‘burning platform’ providing an immediate change imperative, the Corporate Peer Challenge Review Team think there is currently insufficient attention to developing a change and transformation plan which will secure the Council’s financial position in the longer term. There is a risk that the Council may not take advantage of the breathing space offered by the current position to develop a proactive approach to all the challenges ahead.

The Corporate Peer Challenge Review Team believe the Council needs a clearer vision for customer services which is both agreed and enjoys the commitment of members and senior managers across the organisation.

1.3 At the Full Council meeting of 18 June 2014, members received a report of the findings of the Peer Review team. This report included a section on the anticipated changing demography of the Arun District, leading up to 2020. At the Member Workshop held on 11 June 2015, Members also received a report on those changing factors. Highlights are:

- Increase in population due to migration into Arun
- More children in school
- Population projected to reach 161,400 (up 10,000 from 2012, a 6.6% increase)
- An even older population than currently (7.3 years older than the national average)
- A gender split of 48% male, 52% female
- An increase in household numbers to 75,300 (12.4% up from 2011)
- Those of working ages will only increase by 9.9% during the same period

1.4 At the Full Council meeting of 5 November 2014, a report was produced by the Chief Executive for consideration to encourage all Members to react positively to the Peer Review. The Council did, and agreed to:

Support the recommendations from the Cabinet meeting held on 13 October 2014:

1. *The status quo is not an option and adopt the report’s focus on improving customer access.*
2. *There is a need for transformation based on the principles of the report, and;*
3. *Members, staff and the public are engaged through workshops, to help create an action plan and timetable for delivery from 2015/16 onwards and to consult on the outcomes in due course.*
4. *The outcome of the Council Vision informs the Council on its service and financial deliberations for 2016/17 and beyond.*

2. THE NEED FOR TRANSFORMATION

- 2.1 Following the Peer Review in 2014, it was agreed that the Council needs to agree a route to offer better services for residents. The Medium Term Financial Strategy (Cabinet 16 November 2015) identified that, if no changes are implemented, the Council needs to save approximately up to £4-£5m by 2020, otherwise all its reserves will be spent (under current funding arrangements).
- 2.2 At the informal meeting of the Chairman and Vice Chairman for Working Groups, Overview Select Committee and the Audit and Governance Committee on 11 February 2015, it was stated that the Council's strength was its relative stability, but a plan for the future was recommended as stated in the recent Peer Review. It was highlighted by the Chief Executive that the Council's Vision was very important as the Council would need strategic direction and a clear perception of the way forward. It was explained that decisions needed to be made in 2015/16 for implementation in 2016/17 ready for the anticipated difficult financial year in 2017/18. It was important to involve Members with this process as soon as possible after the 2015 District Election. It was hoped that all Members would become and remain engaged and informed about what would be considered as the Council's Vision and how that would link into the Council Priorities and the future savings that would be required.

Members discussed their involvement with the Council's Vision and supported a whole Council approach. It was suggested that corporate togetherness was the way forward and seminars should be aimed at all Members to avoid a splintered approach.

- 2.3 Following this agreement, a series of Member Workshops have been held, both before and after the May 2015 District Council election, to engage Members in discussion about the future of the Council leading up to 2020. The recommendations within this report flow directly from those informal discussions with Members. The Workshops were held on:

	Date	Number of Councillors attended
1	10 February 2015	32
2	11 June 2015	33
3	8 July 2015	25
4	23 July 2015	27
5	22 October 2015	38
6	8 December 2015	35

- 2.4 In the workshops, Members have informally agreed that the route to being a better Council in the future includes the Council being:

- Easier to deal with
- Getting things right first time
- Doing things as quickly as possible
- Better at understanding what we can and cannot deliver
- Being more aware of our performance, and
- Balancing our budget

2.5 At the July 2015 Member Workshop, Members stated that we needed to change in four particular ways. The Council's Priorities are linked to the four changes as shown below:



Your services



Supporting you if you need help



Your future

- Offer an improved customer experience
- Build better relationships with other organisations and the community
- Provide more digital opportunities to make dealing with us easier
- Become smaller but more effective

2.6 In order to make these four changes, the Council needs a careful and balanced approach to increase our income, reduce our costs, make service improvements, reduce the demand on our services and determine what, if any, services the Council should/should not be involved with. Members have discussed a number of possible options in the workshops although these were not an exhaustive list.

2.7 It is clear from the Peer Review that the Council cannot stand still and has to change to reflect the changing needs of our residents and our financial viability. But, the route map going forward must serve us well for the future and needs the united support of Members and Officers if we are to succeed in providing a better, and more financially stable Council, by 2020.

3. RECENT PROGRESS

3.1 At the last two Member Workshops (22 October and 8 December 2015), Members have been presented with ideas on how to transform the Council. These ideas have been robustly discussed and prioritised. The following proposals identify the first phase of the way forward. Future work will need to identify additional phases for investigation to ensure all services have been reviewed, the necessary levels of savings achieved and decisions taken by Members.

4. PROPOSALS

4.1 It is proposed that the following group of services should be considered for additional business case work, with a view to either sharing with another Council or organisation, or being outsourced:

- Revenues
- Benefits
- Legal
- Financial
- Information Technology
- Human Resources
- Customer Services

These service 'baskets' could be considered all together or in smaller 'lots'.

4.2 The following group of projects should be taken forward for additional business case work to enable the Council to either increase its income, reduce its costs, improve the service effectiveness or reduce the demand:

a) *Increase income*

- Create an Arun District Council local housing company
- Provision of student accommodation on London Road parking site, Bognor Regis
- Through a more commercial approach to Council assets
- Increase off street car park charges

b) *Reduce costs*

- Explore alternative use of Bognor Regis Town Hall
- Reduce Council Tax Reduction Scheme
- Have fewer public toilets
- Assess cemetery costs

c) *Improve effectiveness*

- Share the Building Control service
- Share the Planning service
- Explore options for day activities for the elderly
- Explore alternative cleansing contract

d) *Reduce service demand*

- Examine an alternative to the Joint Area Committees with Towns and Parish Councils, and West Sussex County Council

4.3 From the Member Workshop on 8 December, the outcomes are that the top three projects Members would like Officers to progress first are:

1. the “basket” of Central Services (shown in 4.1 above)
2. to investigate the option of creating an Arun District Council Local Housing Company (shown in 4.2(a) above)
3. to investigate the provision of student accommodation on London Road parking site (shown in 4.2(a) above)

A number of the Member workshop groups bracketed the housing company and the student accommodation and counted them as one project, so the next project prioritised was the review of Bognor Regis Town Hall (shown in 4.2(b) above). It is not recommended to bring the Local Housing Company and student accommodation projects together as they are not mutually compatible.

Furthermore, a number of the Member workshop groups also prioritised within the “basket” of Central Services. Collating these results the outcome was, in priority order:

1. Revenues
2. Benefits
3. Customer Services
4. Information Technology

These services had strong support for either outsourcing or sharing.

However, for the services listed below (in order of preference by Members), the main preference was for sharing these three, rather than outsourcing:

5. Human Resources
6. Finance - there was a strong feeling that Internal Audit and Payroll could be shared, but that the Authority should keep Accountancy, Treasury Management and Strategic Finance.
7. Legal Services

The benefits and implications of the matters in (1) – (7) above will of course need to be considered in greater detail based on good evidence, data and external advice.

4.4 Further phases of work will include:

- Review of Cabinet/Committee structure
- Review of grants to the voluntary sector
- Review of the Council's involvement in anti-social behaviour
- Pilot less charitable events for the Chairman (2016/17)
- Review the Council's involvement in wellbeing (externally funded)
- Review of delegation to Committees and Officers
- Review all discretionary and statutory services
- Review the grounds maintenance contract to ensure best value.

4.5 It should be noted that officers are also working on a number of other income generating opportunities that, if progressed, could make a contribution to the financial position of the Council. Furthermore, it is anticipated that the future proposals for the Bognor Regis regeneration projects may provide an opportunity to also help financially, if the country's economic growth continues.

4.6 Each proposal will need to be part of the overall 2020 Vision programme with a clear lead person, a set of parameters, timescale etc. The intention is that, should Full Council support officers in further work on the areas in Phase one (paragraphs 4.1 and 4.2 of the report), each will initially be considered as a separate project, with relevant Member involvement, either through the normal Committee process, working parties or working groups, Individual Cabinet Member decisions, Cabinet Working Parties or by Cabinet. Further reports will identify specific routes for Member involvement in the necessary decision making process.

5. ADDITIONAL RESOURCES

5.1 The first phase of the 2020 Vision work incorporates twenty projects, some of which will require staff secondments or external support to enable more detailed business case work to be prepared for future decisions by Members.

5.2 There are also additional projects that officers will be progressing, such as:

- Review of Estate Management
- Review of administration
- Review of officer allowances
- Review of consultation expenditure, and
- Increasing income from 'out of hours' printing

5.3 Bearing in mind that the day to day services of the Council need to continue at their current high standards, additional funding will be required to progress Phase One of the Vision work. Further phases will undoubtedly also require additional funds. The initial assessment of the support costs for Phase One is in the region of £120,000. This funding will enable Officers to progress the programme in 2016/17. Officers will then be in a better position to assess any future funding requirements in the spring/summer 2016 which, if required, will come forward as a supplementary estimate via Cabinet and then to Full Council.

6. THE FUTURE

6.1 Should Full Council support this report’s recommendations, a report will be presented to Cabinet on 8 February 2016 to consider joint feasibility work on the principle of shared services with Chichester District Council with regard to sharing (and outsourcing) the services identified in paragraph 4.1 (only) of this report. The cost of this work is likely to be shared with Chichester District Council and will be contained within the 2015/16 approved budget.

6.2 Further reports will follow, through various routes within the Council, as identified in paragraph 4.6 of this report.

6.3 Full Council on 20 July 2016 will be presented with the Council Vision 2020 for approval and will be asked to agree the future direction of working differently, timescales and one off costs and ongoing savings from implementing the proposed changes

7. PROPOSAL(S):

Full Council is asked to agree to:

1. The projects identified in paragraphs 4.1 and 4.2 of the report be agreed and Officers collate further information to allow decisions to be taken by Members in the future.
2. Support an estimated sum of £120,000 being included in the proposed 2016/17 revenue budget to enable the highlighted projects to progress

8. OPTIONS:

1. To support the recommendations
2. To propose an alternative direction for the Council Vision 2020 (see implications at paragraph 10.1)

9. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		√
Relevant District Ward Councillors	√	
Other groups/persons (please specify) – West Sussex District and Borough Councils	√	

7. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	√	
Legal	√	
Human Rights/Equality Impact Assessment		√
Community Safety including Section 17 of Crime & Disorder Act		√
Sustainability		√
Asset Management/Property/Land	√	
Technology	√	
Other (please explain) (UNISON)	√	
10. IMPLICATIONS:		
10.1 Should the Council not progress the Council 2020 Vision as proposed, it will be difficult to meet the changing needs of the community, and the financial stability of the Council will be at risk.		

11. REASON FOR THE DECISION:

To provide officers with clear guidance with regard to the direction of travel for the Council, and the resources to enable officers to progress the Council 2020 Vision. This report provides a clear approach of how the 2020 Vision programme will support the achievement of the Council's priorities.

12. BACKGROUND PAPERS:

Full Council Agenda - 30 April 2014 (item 26 - Local Government Association - Corporate Peer Challenge Review – March 2014)

Full Council Agenda - 18 June 2014 (item 9 - Local Government Association - Corporate Peer Challenge Review – March 2014 – Customer Services)

Full Council Agenda - 5 November 2014 (item 17 – Working Towards a Council Vision for 2015 to 2020)

Cabinet Agenda - 16 November 2015 (item 7 – Financial Prospects 2015/16 to 2020/21)