

# Minutes

## Performance Management Scrutiny Committee

### 2<sup>nd</sup> June 2021



#### Present

| Councillors         | Present | Councillors               | Present |
|---------------------|---------|---------------------------|---------|
| J Coleridge         | Yes     | S Rehman                  | Yes     |
| G Courtauld         | Yes     | B Rose                    | Yes     |
| Mrs C Dervish       | Yes     | P Schwier (Vice-Chairman) | Yes     |
| T Everard           | Yes     | N Unsworth                | Yes     |
| M Radley (Chairman) | Yes     |                           |         |

#### 1 **DECLARATIONS OF INTEREST**

**INFORMATION:** Councillor P Schwier declared a Non-Pecuniary Interest in Agenda Item 5, 'Scrutiny Review into Commercialisation at Braintree District Council – First Evidence Gathering Session,' as an Elected Member at Essex County Council.

#### 2 **MINUTES**

**DECISION:** The Minutes of the meeting of the Performance Management Scrutiny Committee (formerly the Performance Management Board) held on 10<sup>th</sup> March 2021 were approved as a correct record.

#### 3 **PUBLIC QUESTION TIME**

**INFORMATION:** There were no questions asked, or statements made.

#### 4 **SCRUTINY REVIEW INTO COMMERCIALISATION AT BRAINTREE DISTRICT COUNCIL – FIRST EVIDENCE GATHERING SESSION**

**INFORMATION:** The Chairman welcomed Mr James Sinclair, Commercial Manager at the Council and Lead Officer for the Scrutiny Review, to the meeting. It was noted that Mr Sinclair had also been in attendance at the previous meeting of the Committee on 10<sup>th</sup> March 2021 in order to introduce himself to Members and make some initial observations as to the direction of the Scrutiny Review into Commercialisation. Mr Sinclair had subsequently prepared a power point for presentation at this evening's Committee in order to support the evidence gathering of Members within the context of the Terms of Reference (TOR) for the Review.

Members were reminded that hard copies of the presentation had been previously circulated with the Agenda for the meeting and that the presentation was divided into three individual sections: Commercial Overview; Learning from Others and Commercial Planning.

Before beginning his presentation, Mr Sinclair was invited to re-introduce himself to the Committee and provide a brief summary of his role within the Council. Mr Sinclair's role revolved around supporting income generation for the Council, identify efficiency savings across the different organisational services and also to support some of the Council's contracts in order to identify opportunities to make savings through third-party expenditure.

The full presentation can be viewed on the Council's YouTube channel via the following link: <https://www.youtube.com/watch?v=JilpDqTPCus>

The Chairman requested that Members ask their questions of Mr Sinclair at the end of each section of the presentation. The information below was subsequently provided:-

### Section 1 - Commercial Overview

- In terms of the Council's 'vision' regarding commercialisation and reducing reliance on Council Tax, Members were advised that commercialisation was linked in with the organisation's investment and development programme, with recognition of the budgetary challenges that lay ahead. With regard to meeting these challenges, the role of traded services was highlighted, as well as the need to identify further opportunities to trade which would also support this. There was also a need to examine the Council's current services and how they operated in order to ensure maximum efficiency. In terms of targets, these revolved around meeting financial challenges, with growth elements captured as part of individual projects; as part of the commercial work stream within the investment and development programme; and then as part of the wider commercial programme, which incorporated strategic investment, asset management and treasury management. This approach enabled the Council's resources to be allocated appropriately where needed and would ultimately help the Authority to continue to deliver services for residents, and reduce the impact on Council Tax.
- With regard to exact figures around reducing dependency on Council Tax in future, these were difficult to determine as Council Tax rates grew relatively slowly. Part of the Council's income was also drawn from business rates, the proportion of which the Council, and others, retained was to be reviewed by the Government. The date of the review and its likely impacts were still to be confirmed.
- It was highlighted that the Council's Commercial Services team covered multiple areas, such as savings activities and leases, in addition to income generation. The net income from these activities, including staff and materials, was monitored in order to ensure that the costs of delivery were not above that of the income generated. The income generated could also be used to help mitigate the costs associated with service delivery.
- Events and advertising were two areas that the Council was seeking to grow, as exemplified by venues such as the new Enterprise Centre at the Horizon 120 site, which it was hoped would offer a range of different activities (e.g. café, business and social events, etc). The Council's 'events offer' was also being given particular consideration as to how it might be expanded further. Advertising was also essential in terms of growth (e.g. through digital advertising, which generated time and cost savings), and shared opportunities could be considered, as seen with the shared Pay Roll function and the ways in which this could be expanded in future. It was stressed

that any growth of services needed to be sustainable with the necessary staff in place and resilience built in.

- With regard to the shared Procurement hub, Members were advised that Braintree District Council was the lead Authority for this. It was reported that James Sinclair would oversee the function in the interim period whilst the structure of the shared hub was being resolved. There would also be potential opportunities to generate further income by growing frameworks, as well as the Procurement service where there was an appetite for this (e.g. in joining with other Authorities).
- With regard to Local Authorities taking on their own procurement resource, the Council would continue to ensure that it engaged with its customers as much as possible in order to understand what their needs were, and where those needs had changed, to adapt its approach towards traded services accordingly.
- Members were informed that the Council facilitated small business start-ups in a number of different ways, including through the District's enterprise centres (e.g. at Springwood Drive and Horizon 120), which were ideal 'incubators' for small businesses. Through the Economic Development team, the Council also provided financial support to small businesses (e.g. in the form of grants during the Covid-19 pandemic), as well as through its procurement function by enabling smaller businesses to bid for particular activities.

The following action was agreed in response to questions raised by Members:-

- Mr Sinclair agreed to speak with Chris Fleetham, Corporate Director (Finance) outside of the meeting about providing information at the next meeting of the Committee on the subject of returns on investment.

## Section 2 - Learning from Others

- There were a number of areas in which the Council could learn from the activities and projects undertaken by other Local Authorities through avenues such as the commercial network and links with key external staff, such as those at Colchester Borough Council (CBC). With regard to CBC, opportunities to learn from their activities, and determining how those opportunities were identified in the first instance were key elements towards ensuring that Braintree District Council's own internal structures were robust and how new opportunities could be determined.
- Members were informed that the Council had not participated in the 'Best Commercial Council;' however, there were a number of similar awards taking place, one of which the Council was preparing for. In the meantime, the Council would continue to learn from those Authorities who had succeeded in achieving commercial related awards; for instance, how the organisation could continue to grow and adapt its own ideas to meet its specific needs going forward.
- The Council had created a 'shared events' team which utilised expertise from across the organisation (e.g. Marketing, Sales, running events and activities, etc) at both a community and business level. The purpose of the shared events team was to ensure that the Council was prepared for Horizon 120 by ensuring that it could facilitate events as effectively and efficiently as possible at the site and across others. Where gaps in expertise were identified, the Council would look to either bring this in itself or identify short-term solutions.

### Section 3 – The Commercial Plan

- In respect of working together, it was agreed that ideas for delivering income, savings or efficiencies should go beyond officer level to encompass Members' ideas as well. It was intended that as part of Members' events over the course of the next year, Members would be updated on the programme with an opportunity for any ideas to be captured.
- With regard to small businesses, Members were advised that the Council had been in discussion with organisations such as Anglia Ruskin University about offering activities with specific services at the Council, such as IT. The Print Room function at the Council already provided services to a number of small businesses at affordable rates (e.g. digital archiving, design advice, etc). Advertising opportunities were also provided to small businesses via roundabout sponsorship. Furthermore, although it was at the early stages, consideration was also being given by the Commercial Services team towards how the Council might use the new Horizon 120 centre to help support small businesses within the hub and the wider Braintree area.
- Members were advised that for every new commercial activity or project to be undertaken (e.g. the creation of a shared pay roll service), a business case would be created which would encompass identified risks, and whether those risks outweighed the benefits of undertaking the particular activity or project. A regular review of those risks would be conducted over time as businesses developed or services expanded.
- The Council's assets ranged across a wide number of areas (e.g. community assets, assets at the enterprise centres, etc).
- In terms of any barriers towards progressing the Council's commercialisation programme, Members were advised that the current outlook was fairly positive; for instance, the team had the support of the senior management team in respect of the investment and development programme. Potential barriers in future might include time and other resource constraints in taking forward new ideas; having the appropriate structure in place was key in the delivery, track and growth of traded services.

The following action was agreed in response to questions raised by Members:-

- On the subject of cyber security within Parish Councils, Mr Sinclair agreed to speak with the Council's IT department about whether this could be taken forward in future.

The Chairman then concluded the evidence gathering session and expressed his gratitude on behalf of Members to James Sinclair for his detailed presentation and the information provided in response to Members' questions. Mr Sinclair was then invited to exit the meeting if he so wished.

Based upon the information gathered during the meeting, Members were then requested to give consideration towards any further lines of enquiry that would support the Committee's evidence gathering for the Scrutiny Review into Commercialisation. The following lines of enquiry were subsequently identified:-

- Members queried whether there was an opportunity to invite an expert in the field of commercialisation to a future meeting of the Committee, such as in trade waste services or advertising.
- Further details as to the net benefits of some of the Council's commercial projects might be beneficial to receive.
- Further information was also requested, if possible, in respect of the Council's Strategic Investment and Asset Management programmes. Members were subsequently advised to be mindful of the Terms of Reference for the Scrutiny Review and to ensure that all lines of enquiry were in keeping with these. The request would be explored further with James Sinclair as the Lead Officer for the Review outside of the meeting.
- Further information was also requested, if possible, as to the impact of commercialisation on staff within the Council (e.g. staff availability, costs, impacts of Covid, etc).

The Chairman thanked Members for their suggested and requested that they contact the Governance and Members team via e-mail should they have any further lines of enquiry for the Scrutiny Review outside of the meeting.

## 5 **DECISION PLANNER**

**DECISION:** The Decision Planner for the period 1<sup>st</sup> June 2021 to 31<sup>st</sup> August 2021 was noted.

The meeting commenced at 7.15pm and closed at 8.59pm.

Councillor M Radley  
(Chairman)