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Programme Brief – Commercialisation: Towards the Entrepreneurial Council

Purpose:					
The purpose of this brief is to provide an initial assessment of whether a programme approach to developing commercialisation is viable and likely to be achievable.					
Outline Vision statement:					
South Cambridgeshire District Council is a commercially-minded organisation at the forefront of civic enterprise, a beacon for outstanding local public service delivery creating wealth, opportunity and local resilience.					
Current state:					
<p>The accompanying Programme Mandate describes the identification of commercialisation opportunities by EMT and Cabinet and provides examples of current commercial activities. SCDC has an excellent track record of maintaining service levels through the implementation of service efficiencies, achieving over £5 million savings over the past five years. Continuing pressure on public finances means that we need to go beyond efficiencies to fundamentally rethink how we deliver services, and on what basis. Our MTFS already anticipates the complete removal of central government revenue funding by 2020, and the front-loading of further cuts during the first two years of the new parliament and accompanying policy announcements on welfare reform and social housing have increased the urgency of finding new and innovative ways to maintain a balanced financial strategy.</p> <p>Do nothing will have an detrimental impact on the council's performance and financial viability, through:</p> <ul style="list-style-type: none"> - An increased risk of service cuts and compulsory redundancies; - Missed opportunities to take advantage of new models of service delivery. - Failure to embrace new ways of working; - Reputational damage as an organisation not willing or able to embrace change. <p>Not adopting a programme approach runs the risk of:</p> <ul style="list-style-type: none"> - Failure to effect the behavioural change required to operate as an entrepreneurial council; - The lack of a shared Vision; - The duplication of business benefits; - Failure to achieve economies of scale and ineffective resource planning, particularly in HR, Finance and Procurement; - Missed opportunities for sharing learning and best practice. 					
Outline description of benefits:					
Projects	Outputs	Capability	Outcome	Business Benefits	Measureable
In-house Enforcement Agents	Business Case Recruitment, Certification and Training Process review and map Market research Monitoring existing Bailiff contract	Skilled in-house enforcement agents and approved procedures	Self-financing, high-quality, competitive, resilient service	Income stream for the council (surplus/profit) Efficiencies from shared service Enhanced customer service Staff skills / knowledge /	Profit targets. Target efficiencies Market share Customer satisfaction Staff survey / PDR

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				career development	
Expanded Trade Waste Service	Analysis of existing service Market research Business case and performance metrics	Service model for expansion	Expanded service, sharing with partners as appropriate	Income for the Council Leaner model generates efficiencies Enhanced customer service	Profit targets. Target efficiencies Market share Customer satisfaction
Expanded Sports Activity Programme	Increased number of chargeable sports activities delivered across the district	Resources to staff, administer, deliver and promote activities	Expanded sports activity programme	Income and profit for the council enhancing reputation Improving health outcomes deriving from increased participation	£ Increase in participation Health improvements
Business Hub	Scoping and development of business and financial model Market research Implementation and resource plan	One-stop advice to other organisations Virtual business hub and re-charging mechanism	Pilot scheme	Income stream for the council (surplus/profit) Efficiencies from shared service Enhanced customer service and reputation Staff skills / knowledge / career development	Profit targets. Target efficiencies Market share Customer satisfaction and wider positive feedback Staff survey / PDR
Supported Housing	Business case	Operational business model	Delivery of expanded specialist housing service	Savings and income Quality of life: safe and independent older people Reduced bed-blocking	Savings and Income targets Customer feedback and satisfaction Hospital discharge rates
Hearts and minds – Building an entrepreneurial culture	Programme of training and briefings: specification, development with procurement as required. Delivery, feedback and monitoring Review PDR	Training programme and revised PDR framework and OD Strategy in place	Staff training and briefed, then demonstrate new skills and behaviours	Staff skills / knowledge / career development; specifically, capacity to identify and deliver new ways of working	Staff survey PDR and 1:1 Successful programme delivery

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	framework Feed into revised OD Strategy				
Commissioning	Review of approaches to commissioning – report and recommendations	Wider menu of commissioning options	Services commissioned in new and innovative ways which maximise benefits for the Council	Enhanced or protected services resulting from the arrangements	Profit, loss, performance, customer satisfaction
Ermine Street Housing	Managing the Councils investment	Mechanisms and resources to manage the investment and review the process	Ensuring a return on investment	Profit on investment	£
HDV	Business model for a county wide housing strategy	Building affordable homes	Meeting local affordable housing need	Delivery of affordable housing	Income generation

Estimated Costs:

The programme is being managed by officers who are currently employed in roles within the council. Project managers are also employees. Time given to the programme is within existing staff budgets.

There is one full time Corporate Programme Manager who will oversee the programme along with other workloads. Meetings with the Project Managers working within the programme will take place monthly and highlight reports will be presented to the sponsoring group by exception.

There will be costs for the projects within the programme and these will have fully developed business cases showing cost benefit analysis before being given approval to proceed by the sponsoring group.

Overview of headline risks, constraints and assumptions:

Risks	Constraints	Assumptions
Inadequate stakeholder engagement	Statutory limits on the commercial approach, and on which bodies can exercise particular functions.	SCDC has experience of a number of successful commercial services upon which it can build
Conflicting operational priorities	Traditional mindsets, which need to be influenced by cultural change – both internally, and by external stakeholders viewing local government services in a particular light (manage expectations through proactive communications).	A 'one size fits all' approach will not work for a diverse range of functions, services and policy initiatives.
Impact of programme on day to day service delivery	SCDC has significantly scaled back its discretionary activities already, so there is very little low-lying fruit left to pick.	Traditional approaches to service delivery must be reviewed due to the council's financial situation
Programme and or Project Managers long term unavailability		

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The Projects on the commercialisation programme are not completed in a timely fashion		
A change in internal political strategy		
The Projects on the Commercialisation Programme do not realize the savings identified		

Options for delivery:

Commercialisation opportunities are being explored through a common process involving the development of outline and full business cases following analysis of current service provision, stakeholder engagement and market research. Projects will incorporate pilots and full implementation, subject to evaluation.

Cultural change will be delivered through bespoke training, coaching and leadership linked to the refreshed Organisational Development Strategy and delivered through our Performance Development Review framework.

A review of how the Council traditionally commissions its services will lead to a wider menu of service delivery options being available to the council.

Ermine Street Housing has been set up to deliver a pilot scheme buying and letting properties to South Cambs residents and offering a property management solution for landlords eg. MOD.

The Housing Delivery Vehicle (HDV) will in partnership build affordable housing to meet the ever increasing need of local people.

Project list:

	Project title	Description	Project manager
1	In-house Enforcement Agents	Income stream for the council Provide service to SCDC and other local authorities in the future More awareness of safeguarding and vulnerability issues	Katie Brown
2	Expanded Trade Waste Service	Following the principles of the shared waste project, this will look to share trade waste activities across the two authorities.	Myles Bebbington
3	Expanded Sports Activity Programme	Increasing the availability of sessions to increase income and profit	Kirsty Human
4	Business Hub	Setting up Business Hub	Myles Bebbington

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		One-stop advice service to other organisations	
5	Supported Housing	Specialist Housing Support for Voluntary Sector – including community Alarms, lifeline plus and any further social enterprises (handyman, gardening, painting and care)	Tracey Cassidy
6	Hearts and Minds	Training, coaching and leadership to develop entrepreneurial mind-sets	<i>Susan Gardner-Craig</i>
7	Ermine Street Housing	Managing the Councils investment in the company	Stephen Hills
8	Commissioning	Exploring a wider menu of service delivery options for the council.	Paul Quigley
9	HDV	Provision of affordable homes	Gill Anderton

Document Version History

Version	Date	Author/Modified by
1.0	17 Sept 2015	Richard May
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