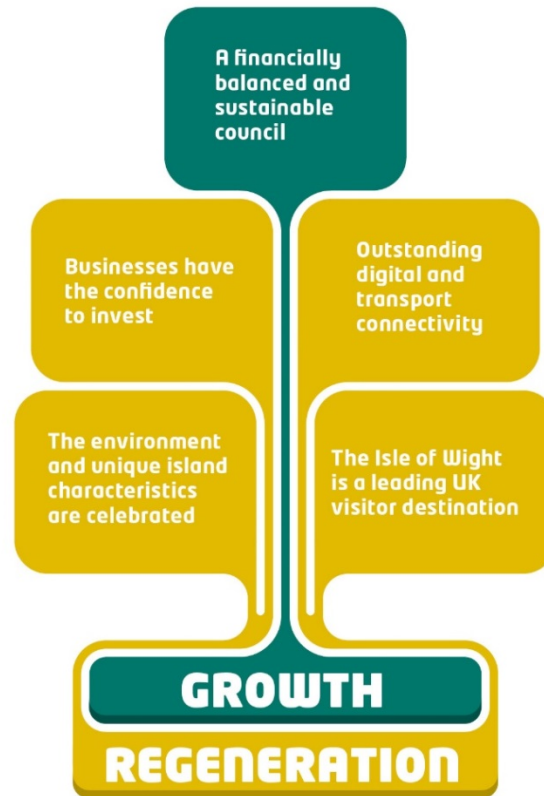


GROWTH & REGENERATION

Outcomes



Executive Summary

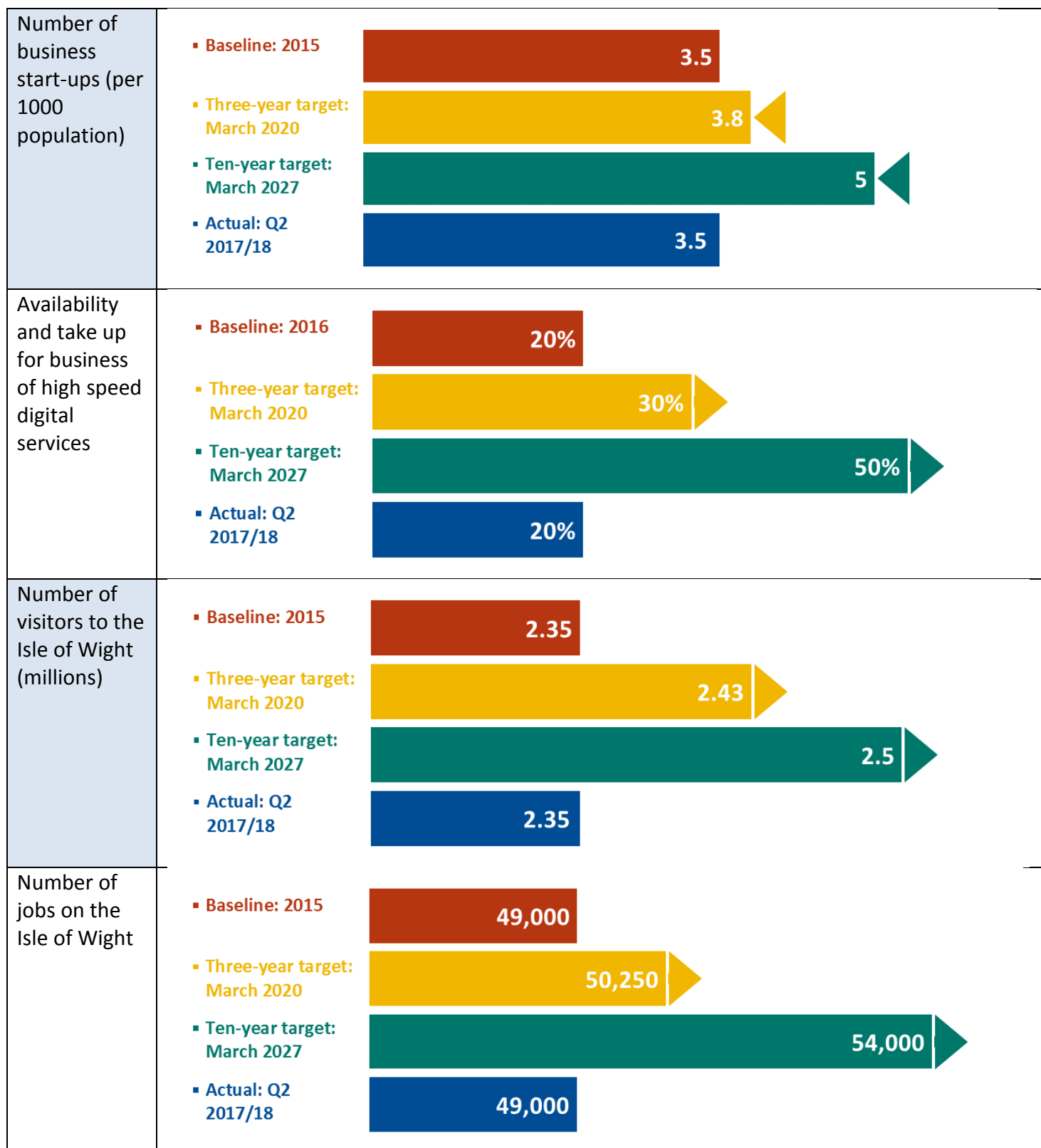
The Island will grow and improve, not only in terms of overall wealth, but also in education standards, skills and availability of jobs; in doing so we will make the best advantage of our own assets to improve business and job opportunities and the provision of appropriate housing for everyone that needs it.

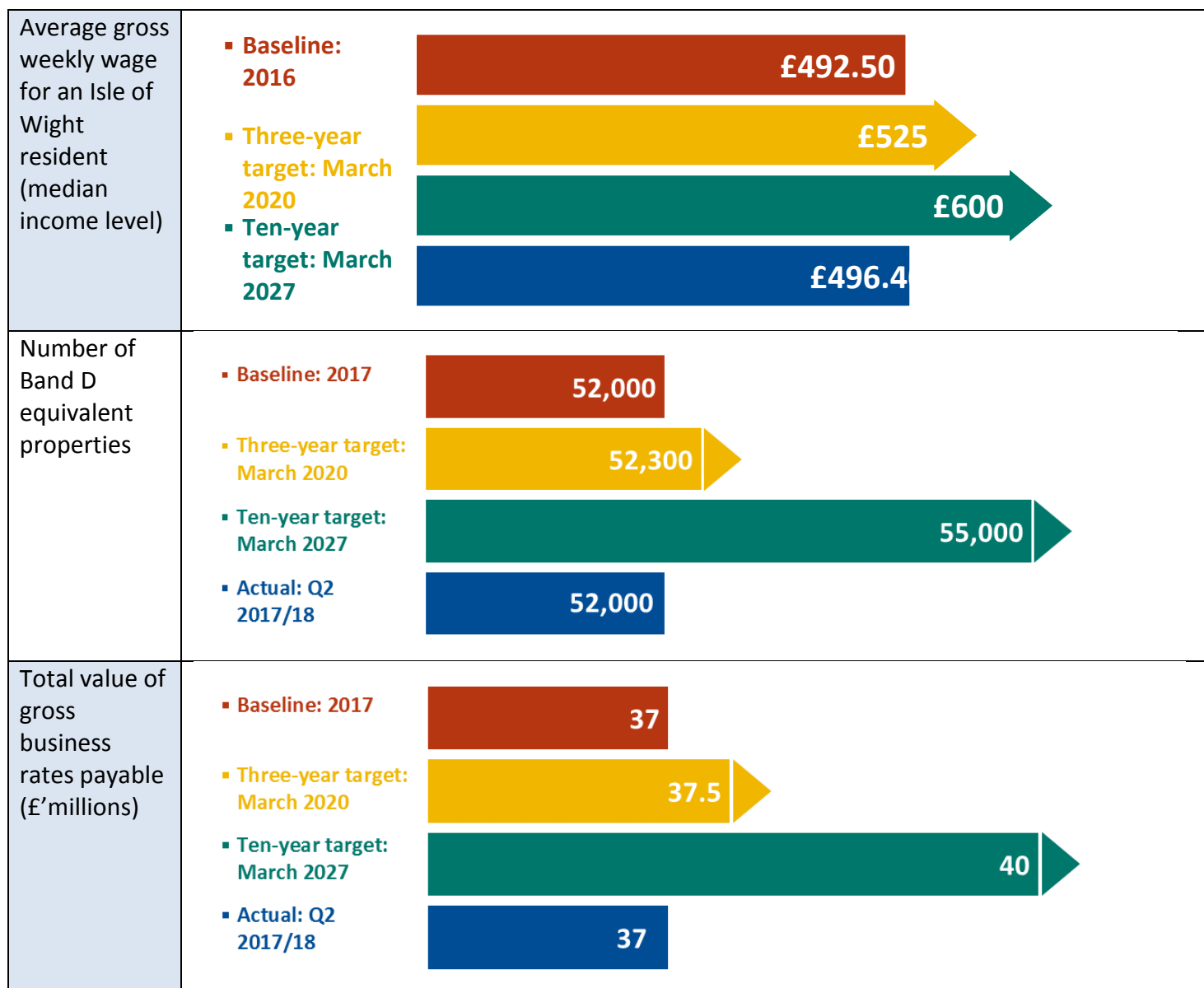
The Island will use its unique characteristics to promote and secure inward investment and appropriate development; and build on our relationships with government and business to be the catalyst for the changes we need to see in the Island and in the Council.

There have already been significant developments in the start of our improvement journey. Working in partnership with the private sector we have secured a new contact centre for the Isle of Wight with the prospect of up to 600 new jobs being created of which many are already in place, we have launched a regeneration strategy to a wide audience including potential new investors and have established a new dialogue with the community, "The Wight we Want", to inform how we might undertake our social regeneration activities.

Long Term Success factors

We will assess our long term achievements over 3 and 10 years against the following measures





Key Activities

Complete business cases for the development of at least five key development sites and secure support for their implementation where appropriate

Six sites prime for regeneration have been identified. Outline business cases have been developed for Newport Harbour and Ryde Nicholson Road and another for Ryde Interchange will be delivered in February 2018. Two additional Project Managers have been recruited to increase capacity and speed up delivery.

Liaise with key stakeholders in the business and tourism community in the co-ordination, development and relaunch of an Island Investment prospectus, new economic development plan and business facing website

Following consultation throughout 2017 a short term action plan has been developed towards updating the IOW economic development plan addressing key components such as managing inward investment enquiries, island business support and business/education links.

Consensus has been established with key stakeholders around developing a new brand position for the Isle of Wight and the form and function of a business facing website. The resulting investment prospectus and business facing website will be complete by July 2018. An updated economic development plan will be published in April 2018.

Roll out the "Wight we Want" public engagement programme to underpin area based social regeneration activities covering the whole Island

Area regeneration workshops were held across the island in November and December 2017 and over 250 people attended. Community priorities were identified and further workshops at the end of January 2018 will develop local regeneration projects to tackle the agreed priorities. Resulting projects will be included in the regeneration delivery programme and inform the regeneration strategy to be published in Spring 2018.

In Newport a specific Place Plan approach has been commissioned, involving wide ranging engagement with business and community stakeholders, again to identify local priorities, inform the regeneration strategy and better co-ordinate and maximise the benefit from the key proposals planned for the town

Work with partners and key stakeholders to organise and deliver an annual digital conference to promote the island's connectivity and showcase the opportunities available to business on the Island

The first conference took place on the 8 November 2017 at Cowes Yacht Haven. More than 200 delegates attended helping shape the future digital strategy for the Isle of Wight and the wider Solent region. This strategy will include a £35m government supported investment in broadband infrastructure to further encourage businesses to move here or grow here. A website www.techisland.co.uk has been launched to showcase the success of exiting digital entrepreneurs on the Island.

Develop and implement externally funded works to open up regeneration sites in and around Newport and ease congestion in the town

A project group will be set up to prepare an evidence base and planning policies that will support improvements in the highway network in and around Newport drawing together and Section 106 monies.

Consider the recommendations of the Infrastructure Task Force to improve infrastructure, public transport and mainland connectivity and work with partners and stakeholders to develop an appropriate delivery plan.

The first conference took place on the 8 November 2017 at Cowes Yacht Haven. More than 200 delegates attended helping shape the future digital strategy for the Isle of Wight and the wider Solent region. A digital preparedness road map and strategy is scheduled to be commissioned in January 2018 for completion and launch in April 2018.

An island bid to become a test bed for 5G mobile communications has been submitted in December 2017 and a bid for the UK government Local Full Fibre programme is being prepared for the end of January 2018 deadline

Work with communities and businesses to deliver the agreed parking strategy by taking a phased approach to its implementation

Work planned around this key activity will take place over the next two years. The review of parking charges and the approach to introduction of new charging areas has been completed for the budget strategy. November Cabinet approved consultation on residential parking zones.

Ensure the timely completion of the core investment period works for the highways PFI in 2021; delivery of an annual programme of improvements schemes to support local stakeholder and community need and ongoing monitoring of the performance and affordability of the PFI contract

Monthly programme and finance meetings have been held and are on-going.

Work with partners and key stakeholders with a view to agreeing and implementing an audit of the local environment to inform delivery and monitoring of the creation of a long term protection and improvement plan

To be reported on at a later quarter when work has commenced

Develop and implement a digital transformation strategy, built from the resident/user perspective, as a central pillar in transforming the way the council does business, to be more effective and efficient.

A digital transformation strategy for the council has been developed and approved by the corporate management team. This strategy reflects the latest technology advances that impact on the wider transformation required to secure the foundations of a future digital infrastructure that meets the needs of the organisation and facilitates greater workforce flexibility. The aim being to establish the necessary platform upon which more innovative and integrated public service delivery can be built; maximise the potential of cloud based solutions to increase flexibility, resilience and reduce on-site maintenance costs; promote digital by preference to reduce reliance on contact centre resources wherever possible and improve confidence and competence in the use of technology to enable access for all. Now that the strategy has been determined, consideration is now being given to its practical delivery, programme management and resource requirements.

As a result of the council's previous budget strategy, there had not been any significant investment in ICT hardware or infrastructure and the stripping out of some £687,000 in staffing and other ICT related expenditure (approx 25% of the service budget) over a seven year period. This means that there is a significant amount of "catch up" to be undertaken to bring the council back to a point where it is possible to expedite progress. Capital investment has been made available for 2016/17 to enable server upgrades, the roll out of updated equipment and establishment of the infrastructure necessary to facilitate mobile

working. However, there are many competing demands in the maintenance and operation of existing systems and insufficient staffing resource to respond effectively to emerging business needs as they arise. It is clear that there is an increasing need for some additional programme management capacity to establish the necessary workplans for priority activity and further capital bids are being prepared to ensure that there is adequate resource identified to deliver the strategy at the pace required to secure improvements.

The server and email upgrades are now completed and will see the introduction of Office 365 as the councils electronic communications system. This will bring greater flexible working options for staff and other benefits such as the ability to connect personal devices and the ability to share documents securely with partner organisations. This has already become operational as a system for document share with schools, simplifying the process and reducing the requirement for posted/printed information to be sent. A number of small users have also been trialling skype for business to enable a reduction in travel and time spent attending meetings.

A number of specific digital services have been developed for new services including the green waste subscription scheme and an upgrade to the Council's on-line payment system to ensure continued compliance with PCI standards has been implemented. This has impacted on the ability to move some of the wider developments on the website and internal intranet forward at pace.

Work with the Island's MP to continue to press the unique 'Island Case' with government and ensure its recognition in the outcomes of the 'fair funding review' of local authority services

Update to be received in Quarter 3

Work with government and local partners to secure, where possible, the local control of central powers to the benefit of the Island and its community.

Update to be received in Quarter 3

Work with local partners and key stakeholders to develop a case for government for integrated working across all of the public services on the Isle of Wight enabling the delivery of , 'One Island: One Public Service', sustainable services based on the needs of the community.

Update to be received in Quarter 3

Work with and challenge schools in financial deficit to secure a more sustainable position for the schools and the council

As part of the overall "Delivering Excellence in Schools" strategic plan that was approved by Cabinet in September 2017 an "Affordable Schools Strategy" will be formulated. This will be support and challenge provided to school leadership based on a financial analysis of each school that identifies the long term implications of future funding.

Deliver the savings plan necessary to achieve an annual balanced budget

Service Boards take place on a monthly basis by directorates to review the latest forecast financial position. Finance Business Partners advise services on any significant forecast variances to budgets including progress on savings plans and assist in developing remedial actions if required.

The current position is that the council is forecasting an overall revenue budget underspend of £540,000 against a budget of £150.5m. The capital programme indicates some slippage but remains forecast to be fully funded. See separate appendices for a more detailed revenue and capital budget monitor.

Create a three year savings plan ensuring the council's planned expenditure is no greater than its expected income

The council is in the process of drawing up savings plans for 2018/19 and subsequent years as part of the annual budget setting process. This will be drawn to a conclusion in the budget report to be presented to Cabinet and Full Council in February 2018. The current forecast of 2018/19 expenditure and funding will also be refreshed as part of the process when the council's financial settlement from Government is received later in December 2017.

The council has an approved Medium Term Financial Strategy which is reviewed annually at the Budget and Council Tax Setting meeting and is accompanied by a rolling 3 year financial forecast. The strategy incorporates savings targets for each year of the forthcoming 3 year period which is used as the basis of the annual budget savings process.

Continually review further options for expenditure reductions and income growth as part of the budget management process

As part of the ongoing budget management process, Finance Business Partners will advise services on further options to reduce expenditure and grow income in order to deliver best value for the council and deliver financial sustainability.

The Treasury Management function aims to maximise income from temporary cash balances to the council whilst reducing exposure to risk and minimise debt financing costs

Complete and implement the 'Believe in Great' (BIG) action plan over the three years from December 2017 as a collaboration with staff to allow them to be bold, ambitious, innovative, creative and action oriented in the planning and delivery of activities for and on behalf of the community.

The Chief Executive led a programme of events with staff that has led to the development of the 'BIG' action plan for the delivery of organisational improvements. A series of staff conferences again led by the Chief Executive took place in November 2017, designed to discuss with staff the council's priorities and key activities for the coming twelve months. Some 561 staff attended. A staff survey has also been completed by over 600 staff as the means to establish a baseline upon which the impact of the 'BIG' action plan can be measured as well as to identify additional actions required to improve organisational effectiveness. Actions are being worked up. There have been 102 nominations for the annual staff awards which will take place on 19th January 2018 in recognition of staff achievements.

Ensure the completion of the new waste to energy plant, to time and budget, as part of the requirements of the waste management contract and continue to explore all opportunities to reduce the volumes of household waste sent to landfill.

A new green waste service was introduced in November 2017. The environmental permit for the Michaelis mechanical treatment and energy recover plant at Forest Road was approved by the Environment Agency in October 2017 and is scheduled to be completed in mid 2019.

Complete a phased review of the council's procurement activities to ensure they provide best value and encourage local businesses and the voluntary and community sector to work with the council

A new Procurement Strategy was approved by the Council's Executive in November 2016. Within this strategy was a comprehensive action plan for delivery. Progress against this action plan was presented to [Audit Committee](#) in December 2017.

Continuously gather and review information, particularly from government sources, to identify potential risks, and opportunities to the council's aspirations and ensure the council is well placed to respond in a timely and appropriate manner.

As part of the service planning process all areas of the Council have set objectives to enable forward planning to take place on the most informed basis possible. The use of information will be key to ensuring that the decisions the council takes regarding its' aspirations are of the quality required.

Work with partners and key stakeholders to review the Island Plan such that it is consistent with the aspirations of the council through area based regeneration plans

Stakeholder working groups have met to inform the review of the current plan. Key stakeholder information consultation is complete and the responses are being reviewed. Monthly project board meetings are in place and the project is on track to meet the June 2018 public consultation deadline.

Work in partnership to deliver the 'Community Hub' One Public Estate feasibility studies and then actively pursue viable schemes

The Pyle Street scheme has reached the feasibility/outline business case stage. Hampshire and IOW Fire are providing project management resource to progress the joint blue light project which is moving forward. The Bay/Heights Community Hub project requires dedicated project management resources which are in the process of being secured.

Undertake an annual seminar with town and parish councils to identify, review & revise plans for closer collaboration, and to specifically consider local needs in respect of, transport, infrastructure and housing

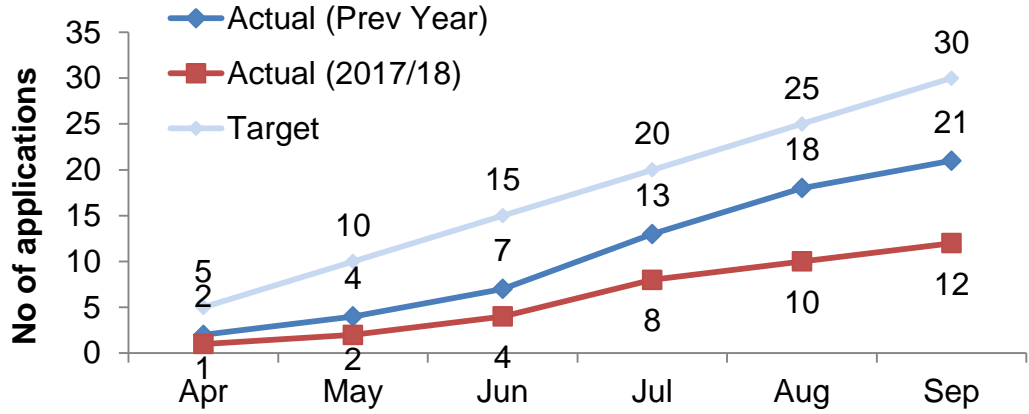
Update to be received in Quarter 3

Consider the opportunities for securing the long term sustainable access to the Island's historic collections

Update to be received in Quarter 3

Short term measures

Number of major planning applications

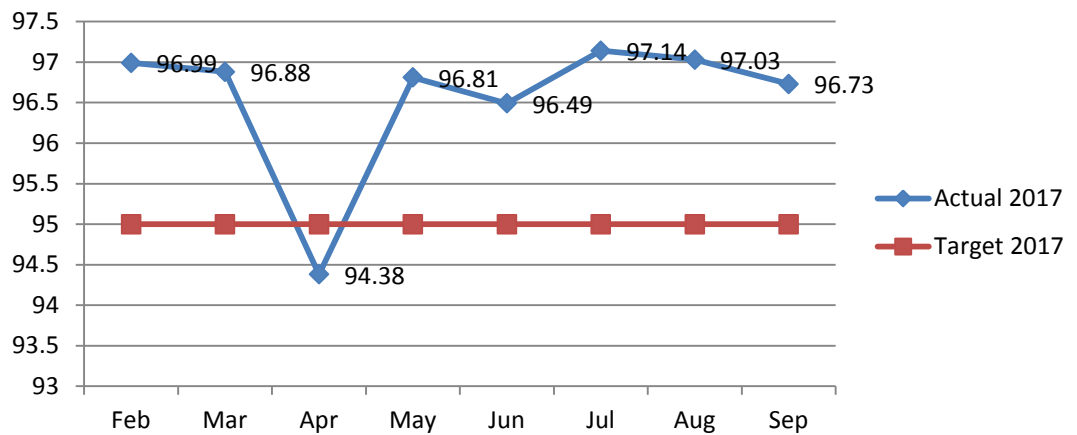


Market conditions are still impacting upon economic activity and development activity. The number of major applications received is lower than at the same point in the previous financial year.

However the total number of planning applications received up to the end of september 2017 (end of quarter 2) was 790 which is not that much lower than the 855 received by the same point last year.

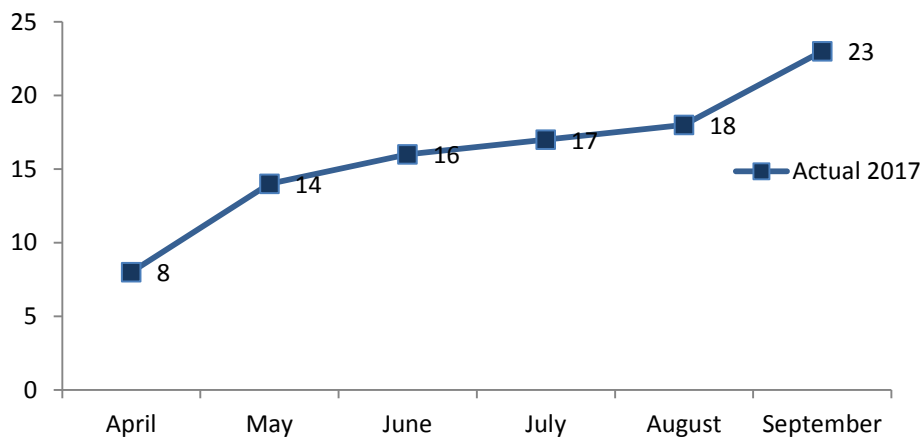
Percentage of all planning applications processed within timescale

% of all planning applications determined within 26 weeks

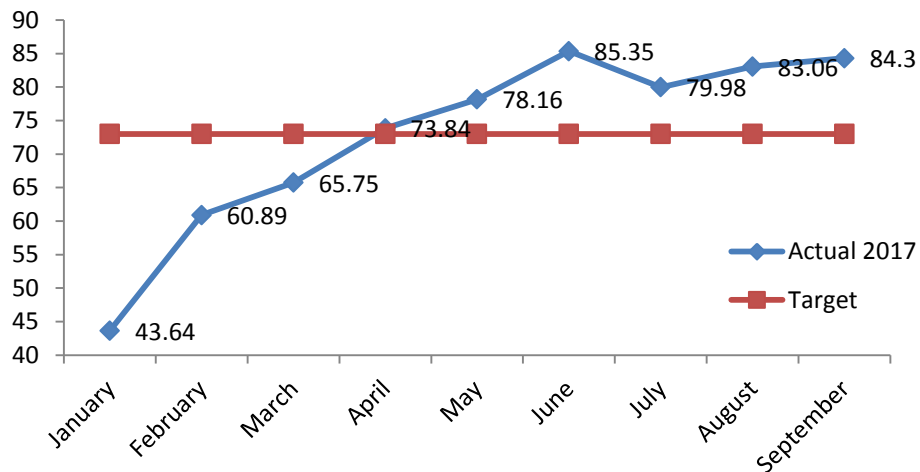


Benchmarking information that is available from the Local Government Association shows that for the 2017/18 quarter one period, the Isle of Wight Council outperforms the majority of its Chartered Institute of Public Finance and Accountancy (CIPFA) nearest neighbours in the speed at which it processes planning applications with 100% of major applications processed within 13 weeks compared to an average of 88%, 96% of minor applications processed within 8 weeks compared to an average of 85% and 98% of other applications processed within 8 weeks compared to an average of 91%.

Number of in person advice and guidance activities per month with businesses seeking to grow and develop on the IW

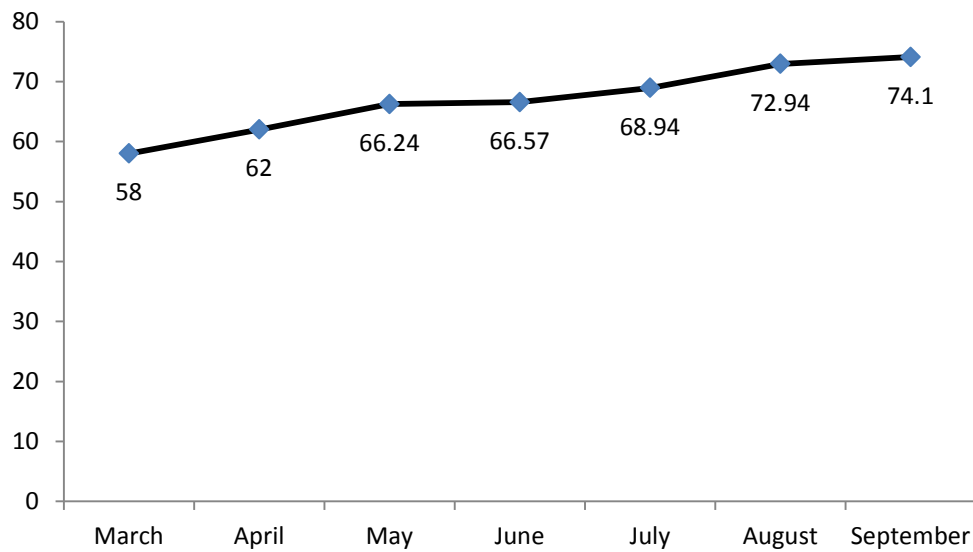


Percentage of contract waste recycled or composted from all Household Waste Recycling Centre sites (Lynbottom, Afton and Mobile)



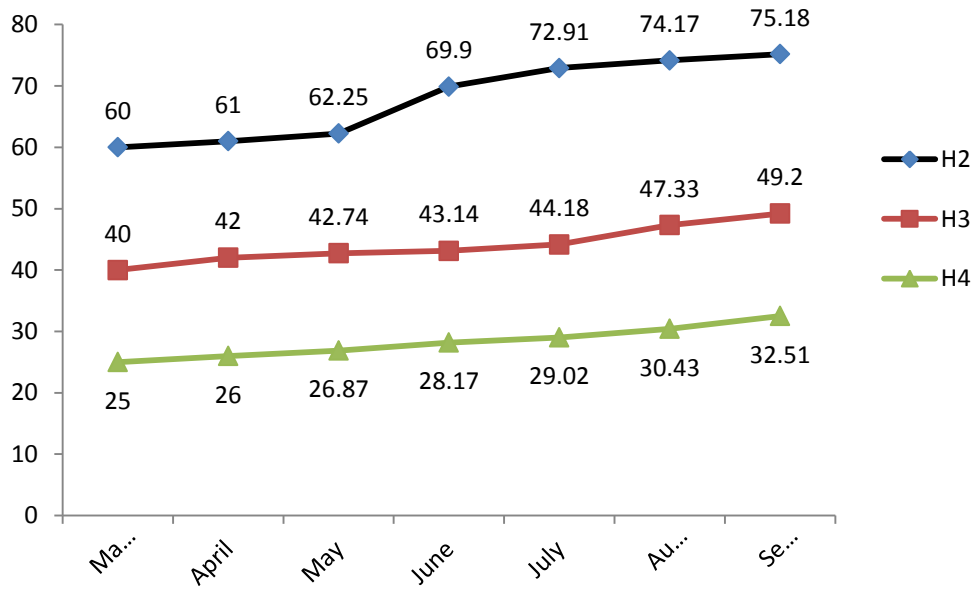
Typically September sees a reduction in waste generated as temporary visitor numbers drop and schools start term again. HWRC performance is well ahead of target following the upgrades done earlier in the year to both Lynbottom and Afton recycling centres. The introduction of a mobile recycling centre has also proved successful.

Percentage of principal (Hierarchy 1) roads rehabilitated and meeting PFI contract specification



Hierarchy 1 roads continue to be upgraded in accordance with the contract requirements and the Milestone requirements were met.

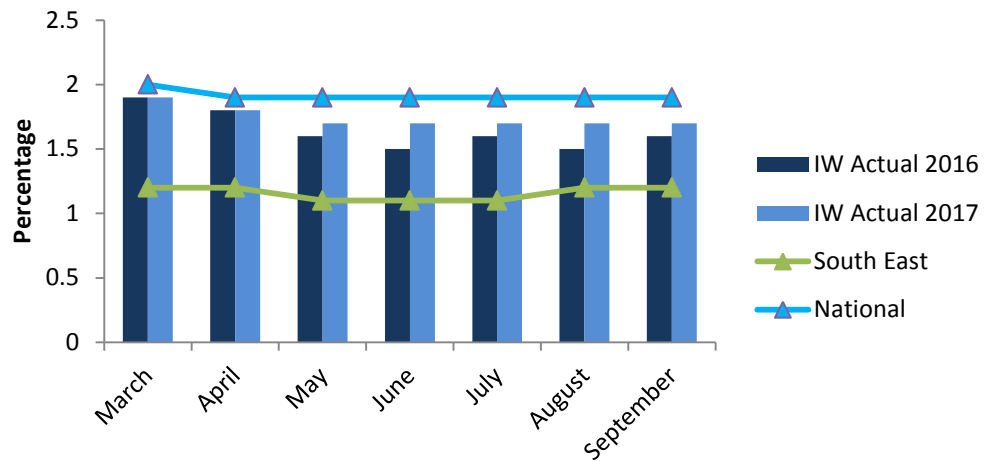
Percentage of non-principal (Hierarchy 2, 3 and 4) roads rehabilitated and meeting PFI contract specification



Hierarchy 2, 3 and 4 roads continue to be upgraded in accordance with the contract requirements and the Milestone requirements were met.

Percentage of out of work benefits claimants per month

Rate of out of work benefit claimants



This data source is NOMIS which is a service provided by the Office for National Statistics that allows for the viewing of labour market statistics for each Local Authority.

The Isle of Wight's rate of out of work benefit claimants continues to remain steady at 1.7% - lower than the national figure but higher than the South East as a whole. This represents 1,345 people.

Strategic Risks

<p>Lack of financial resource and the ability to deliver the council's in-year and medium term budget strategy</p> <p>The council continues to face a significant financial challenge in particular through major reductions in government grant, increased costs and the constraints on other resources such as council tax increases and business rates. The ability to increase or extend local fees and charges is also constrained by current economic conditions. Although the council continues to meet these challenges enthusiastically and innovatively the risk rating remains the same to reflect the huge impact on services were we not able to deliver against our financial plan.</p>	Inherent Score	16 RED
	2017 Assessed Score	13 RED
	Target Score	10 AMBER
	Current Score	13 RED
<p>Insufficient staffing capacity and skills</p> <p>It also remains that the overall reduction in staffing levels in recent years that the council's workforce continues to be stretched, with competing demands in response to emerging priorities and existing commitments. The council is also entering into the budget setting period for 2018/19 which will inevitably place a necessity to further review staffing levels and it will therefore be necessary to consider any impact of proposed staffing reductions against the delivery of corporate priorities.</p>	Inherent Score	16 RED
	2017 Assessed Score	9 AMBER
	Target Score	8 AMBER
	Current Score	9 AMBER
<p>The council fails to achieve the required outcomes from its significant contractual relationships and fails to successfully resolve some anomalies in the contract's interpretation (in relation to the 25 year Highways PFI contract)</p> <p>This risk has retained the same level as it had at the end of the previous quarter.</p> <p>The significant risk that major contracts can present, if not managed well post award, has been acknowledged by the council. Following extensive discussions, a position has been reached whereby there is now a common understanding on a number of the more significant contract interpretation matters. The agreed systems to audit performance through a monthly service meeting and payments meeting continue to be reviewed and undertaken.</p>	Inherent Score	16 RED
	2017 Assessed Score	9 AMBER
	Target Score	5 GREEN
	Current Score	9 AMBER
<p>The risk that the Island's economy falls further behind its mainland comparators and is unable to generate sufficient wealth to sustain the Island and its community</p> <p>This risk has retained the same level as it had at the end of the previous quarter. As key development projects become more mature is likely that the level for this risk will see a reduction.</p>	Inherent Score	12 RED
	2017 Assessed Score	12 RED
	Target Score	9 AMBER
	Current Score	12 RED

<p>Achieving the vision for the Island</p> <p>This risk has retained the same level as it had at the end of the previous quarter. The Corporate Plan reflects a different approach to discharging the duties of the Council placing much wider emphasis on growth and regeneration than savings and economies which has previously been the case.</p>	Inherent Score	14 RED
	2017 Assessed Score	12 RED
	Target Score	6 GREEN
	Current Score	12 RED