



Purpose: For Noting

Committee report

Committee	CORPORATE SCRUTINY
Date	12 OCTOBER 2021
Title	PROGRESS ON COMMERCIAL ACTIVITIES
Report of / to	CABINET MEMBER FOR STRATEGIC FINANCE, CORPORATE RESOURCES AND TRANSFORMATIONAL CHANGE

EXECUTIVE SUMMARY

1. This paper provides committee members with an update on progress against the Council's agreed commercial strategy and associated action plan.

BACKGROUND INFORMATION

2. The Council's current commercial strategy, launched in October 2019 identified a series of activities against three key themes of commercialism, innovation and enterprise and trading:
3. Key items of interest to bring to the attention of the committee are as follows:
 - 3.1 The underpinning training programme to assist in building the commercial knowledge, skills and capacity of our workforce across the organisation was delayed due to the Covid-19 pandemic situation.
 - 3.2 The Council had progressed with its commercial property acquisition strategy, but this activity closed following Central Government withdraw of the scheme. The existing property portfolio continues to be managed by our property services team and it remains as a source of on-going income for the Council. The current rate of return achieved in 2020/21 was 2.64%.
 - 3.3 A potential Joint Venture partnership was explored with Norse (Norfolk County Council). It was determined that the potential benefits identified in initial investigations would not be deliverable and the matter is now closed.
 - 3.4 Smaller projects that were able to be continued during the pandemic have included:

- 3.4.1 Engaging with schools to provide their Health & Safety, Human Resources and Payroll Services. Many schools who are contractually able to, are now commissioning these Council services.
 - 3.4.2 Being chosen as one of two national pilots for a Local Government Association (LGA) 'expert' panel held in Sept 2020 with Adult Social Care colleagues that afforded opportunity at income generation potential in our Wightcare services.
 - 3.4.3 The creation of a casual staff bank known as #Flexible IWC which holds the details of some 40 staff who can assist services when there is a need. This arrangement means that there is less reliance on agency staff and the costs associated with agency fees, as well as the benefit of experience of working within the local authority and the ability to step into work within minimum disruption to services. The greater aspiration is that this service could be expanded to develop and offer services to other employers, however, to achieve this it would be necessary for the Council to establish a trading company. This option is under investigation and would require approval of an appropriate business case.
4. Services are emerging from the period of Covid-19 response and Appendix A sets out a revised action plan for the on-going development of commercial activity. The relaunch and development of feasibility studies are focussed on identifying new business opportunities with substantial revenue streams for the Council.
5. In conjunction with the Association for Public Service Excellence (APSE), the planned training programme has now been recommissioned and which will see a focus given to municipal entrepreneurship. This is an exciting programme which combines generating money for the public purse with highlighting the importance of the green agenda and a need to reduce our carbon footprint to zero.
6. Our ICT service is also working with schools to ascertain their interest in the purchase of data storage space.
7. There is a planned relaunch of the Council's 'BIG' Ideas programme to encourage staff to share their ideas for innovative activities that could provide additional income, added social value or efficiencies in the delivery of Council services.
8. The WightCare team is currently working closely with the Council's internal communications team to recruiting a marketing manager who will be proactively promoting the Wightcare service to new clients. The aim to raise the profile of the service as a valuable source of support to customers to remain independent and appropriately supported in their own homes, particularly with the latest technological advancements that are now available and can be tailored to meet their needs. A campaign is being prepared that aims to engage with GPs, carers, the Hospice, Parish Councils and Libraries to showcase the service and demonstrate the improved wellbeing of those using the service. The team will also be promoting the technical solutions that are available and which can assist with a range of health issues, such as dementia or epilepsy for example.

9. The Innovation Wight Hub has progressed well over the past few months. The project aims to improve productivity for small and micro small and medium enterprises (SMEs) on the Isle of Wight by providing an entrepreneurial network and support across the Island along with a dedicated co-working space and flexible office space for SMEs to use. Both the co-working space and flexible office space will be in Building 41 in Northwood. The build contract is due to go tender shortly, and it is anticipated that the entire project will be delivered and complete by April 2022.

CONCLUSIONS AND RECOMMENDATIONS

10. Not all the planned activity associated with commercial strategy was delivered within the agreed timescales due to the Covid-19 pandemic. Not all of the activities that were undertaken were able to afford the Council with a substantial income stream due to changes in regulations and insufficient evidence for business cases to deliver a return on investment. With the new administration there is the opportunity and determination to refresh the Council's commercial strategy. This is now underway and new commercial activity will align with the principles laid out by the recently approved Climate and Environment Strategy 2021-2040.

APPENDICES ATTACHED

Appendix 1: Refreshed Commercial Action Plan

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