

NORTH DEVON COUNCIL

POLICY DEVELOPMENT COMMITTEE: 19TH NOVEMBER 2020

**MINUTE EXTRACT OF STRATEGY AND REOURCES HELD
ON 2ND NOVEMBER 2020 IN RESPECT OF ITEM 9 ON THE POLICY
DEVELOPMENT COMMITTEE AGENDA**

208 **COMMERCIALISATION STRATEGY**

The Committee considered a report by the Head of Resources (circulated previously) regarding the Commercialisation Strategy.

Councillor Roome, Lead Member for Commercialisation outlined the reasons why a Commercialisation Strategy had been produced for the Council.

The Head of Resources highlighted the following:

- The financial position of the Council was uncertain and a budget gap was forecast beyond 2021/22.
- We were awaiting the Comprehensive Spending Review which was anticipated to be November 2020 and announcements on Government funding for Local Authorities which we hope would see a 3-year funding settlement to provide some certainty into the medium term. However, it was anticipated that this announcement would be a one year funding settlement.
- The Council had already started to look at other opportunities for generating income such as Plot 1B at Seven Brethren, where the Council took back the long term lease and site was now leased to the Police.
- A high-level refresh of the above forecast budget position in light of the current pressures being experienced had increased the predicted budget gaps further as detailed in paragraph 4.5 of the report.
- However, one certainty we can be assured of is that we will still have a significant funding gap for future years to bridge and we need to ensure that we have clear parameters and strong governance in place within the financial context we are operating to look at exploring opportunities and business cases when they arise.
- A Commercial Strategy sets these parameters, which we have clearly proposed as set out in Appendix A of this report.
- It was important that clear outcomes were set when devising any strategy and these had been defined in paragraph 4.10 of the report.
- Aspirational targets had been set as detailed in paragraph 5.1 of the report.
- Commercial Decision making should focus on four main drivers as detailed in Appendix A, page 126.

In response to questions, the Head of Resources advised the following:

- The Council had visited Cheltenham Borough Council to discuss types of commercial opportunities that they had been involved in as they had embedded similar principles and provided more “business like” services.
- He was unaware of the Preston model. The commercial strategy was not just about bridging the financial gap. It would also achieve economic benefits for both the community and the Council.

- The Commercialisation Strategy had been discussed at a recent Managers Forum. Managers were invited to consider ideas with their teams that could be considered and feedback.
- There would be opportunities for Members to discuss the refreshed Medium Term Financial Strategy.
- There would be opportunities for both Members and Officers to feed in ideas into the commercial strategy.

RECOMMENDED that the context of the financial parameters the Council was currently working within be noted and that the adoption of the Commercialisation Strategy as set out in Appendix A of the report be recommended to Full Council.