

Resources Scrutiny Commission

18 September 2019



Report of: Director: Commercialisation + Citizens and Shareholder Liaison

Title: Update Report on Bristol City Council New Commercialisation Strategy 2019/22

Ward: N/A

Officer Presenting Report: Penelope Fell

Recommendation

That the Resources and Scrutiny Commission note:

1. Progress on the development, implementation and evaluation of the Council's New Commercialisation Strategy and Programme as requested by the Resources Scrutiny Commission (RSC).

The Report addresses the following significant issues:

1. It updates the RSC on progress made on delivering the BCC Commercialisation Strategy and Programme 2019/22.
2. Outlines consideration of the above by attendees at a Commercialisation and Innovation Working Group (CIWG) Away Day held on 7 August 2019, and sets out the recommended actions arising from that meeting.
3. It refers to the Director: Commercialisation + Citizens' additional responsibilities and roles as Shareholder Liaison for BCC wholly-owned companies and interdependencies with Council commercialisation activities.
4. Provides detail on additional Commercialisation Strategy aims and business objectives to secure efficiency savings and income growth from BCC historic assets whilst maintaining agreed service delivery standards.
5. In conclusion, recommends the next steps needed to deliver the Commercialisation Strategy and Programme 2019/22.



1. SUMMARY

This Report sets out progress made on the determination, development and delivery of BCC's Commercialisation Strategy and Programme 2019/22 since the previous update Report to the Resources Scrutiny Commission (RSC) held on 6 December 2018.

2. PROGRESS MADE ON DELIVERING THE BCC COMMERCIALISATION STRATEGY AND PROGRAMME 2019/22

RSC will recall discussion at their meeting on 6 December 2018 when the Director: Commercialisation + Citizens reported progress on her plans to reshape and commercialise Council services together with the steps needed to begin to implement corporate commercialisation plans that meet the Mayor's and BCC corporate objectives.

In order to ensure the BCC Commercialisation Strategy and Programme was both up to date and fit for purpose for 2019/22, a CIWG Away Day was held on 7 August 2019. At the Away Day, participants were asked whether the following commercialisation principles, agreed at the Commercialisation Summit held in November 2018, were still the right ones to determine, develop, and deliver efficiency savings and income growth, whilst maintaining agreed service standards. Those principles are:

1. **Simplify commercialisation decision-making structures**, and provide opportunities for Directorates with viable commercial projects to be part of a New Commercialisation Strategy to make the Council more business-like.
2. Ensure the Council **adopts the (3 year) New Commercialisation Strategy** to meet the Council's economic, social and environmental priorities.
3. **Deliver the New Commercialisation Strategy through a three year Commercialisation Programme** made up of major, medium level and 'micro' commercialisation projects to be properly resourced, professionally supported using the Council's pivotal role in the local economy to work in partnership with both the private sector and other Core City Councils.
4. **Apply SMART objectives to the commercialisation of Council services projects** so that the Council approach to commercial development became more up-to-date and also fit-for-purpose.
5. **Improve and streamline business case preparation, evaluation, approval, monitoring and scrutiny by the introduction of a Council-wide commercialisation training programme** to up-grade officer skills and knowledge in presenting projects for consideration.
6. **Include as commercialisation development priorities** the following shortlist of proposals:
 - event spaces: effectively and cohesively utilising our unique spaces as one service;
 - gritting private areas;
 - expanding the cash transport service;
 - reinforcing the internal take up of, and expanding, the Translating and Interpreting service;
 - examining the potential to expand the telecare service; and,
 - examining the potential to expand services at Exmouth Camp.
7. **Include the above findings in a Report** from the Director: Commercialisation to the Resources Scrutiny Commission.

The Director: Commercialisation + Citizens reported on on progress made on delivering the BCC Commercialisation Strategy and Programme 2018/21.

Key achievements included holding a successful CIWG Away Day on 7 August that approved the progress made in 2018/19 and endorsed the Aims of the rolling Strategic Plan 2019/22 and the Business Plan Objectives 2019-20. In particular:

- a Historic Asset Review Programme, commencing with Bristol Harbour, and then Market and Docks Estate;
- a Commercialisation Programme 2019-20, comprising: the renovation of the Harbour facilities; increased electric vehicle registrations and mobile maintenance in Fleet Services; events and

conferences in BCC historic spaces; joinery shop; MEES enforcement; diversity training; improved take up and access to Translating and Interpreting services; Know Your Place service expansion; that will result in income growth achievement of £250k in 2019-20;

- a programme of micro projects, to be determined, to be delivered on an immediate full cost recovery, year on year basis, with a focus on service based innovation and staff and community engagement; and,
- establishment of the Commercialisation Development Team – with the Commercialisation Development Manager yet to be appointed.

In addition, my responsibilities and role as Director: Commercialisation + Citizens and Shareholder Liaison will result in enhanced partnership working across BCC’s wholly owned companies (Bristol Waste, Bristol Energy, Bristol is Open and Goram Homes), to achieve joint income growth as well as efficiency savings through (for example) shared support and back office services.

CIWG Away Day participants endorsed the above principles for 2019/22, adding that BCC should:

- use its influence to tackle land ownership issues in both private and public sectors;
- take action to challenge Council oriented standard procedures, as “...the LA way of thinking takes too much time”;
- approach commercialisation in a more flexible way, and be less protective of “established interests”;
- simplify commercialisation governance and decision-making structures;
- understand corporately the drivers that make things happen, and barriers that delay delivery;
- endorse and make the decisions that support commercialisation so that it can move forward in a positive way

The elected members attending wanted BCC’s commercialisation principles in 2019/22 to be:

- ambitious;
- progressive and agile, based on “get on with it” culture change; and,
- flexible enough to accept some risk taking.

In response, BCC officers present set out the particular challenges that face BCC in establishing:

- a shared agenda with external stakeholders, so that the Council could make best use of external funding for Council led projects; and,
- a common approach with internal Council Directorates to achieve best value from corporate commercialisation activities instead of short-term, unplanned, one-off approaches to commercialisation that seemed to offer the Council income growth but that proved unprofitable, or even resulted in a deficit, in the long run.

In conclusion, participants endorsed a proposal, made by two elected members present, that the respective BCC Scrutiny bodies should be used to make Directorates stick to the corporate commercialisation agenda, and would help by expecting officers to do so when developing projects for consideration. Finally, it was said BCC Scrutiny bodies should ask questions that challenged each Directorate to demonstrate how their business cases would achieve efficiency savings, create income growth, and maintain agreed service delivery standards.

3. INTERDEPENDENCIES BETWEEN BCC WHOLLY-OWNED COMPANIES AND COUNCIL COMMERCIALISATION ACTIVITIES

The Director: Commercialisation + Citizens reported that on 1 July 2019 her job role had expanded as she had been asked to assume additional responsibilities for BCC Shareholder Liaison with Council wholly-owned companies. This role had previously been the responsibility of the former Shareholder Liaison Director, David Lawrence.

She added that although her additional shareholder liaison role was wider than her commercialisation responsibilities, there were also a number of additional interdependencies between BCC wholly-owned Companies: Bristol Energy, Bristol Waste, Bristol is Open, and, most recently, Goram Homes: and that this relationship could be developed to create efficiency savings and income growth subject to mutually beneficial agreement to specified service standards.

4. THE COMMERCIALISATION OF BCC HISTORIC ASSETS

Away Day participants were then split into groups and asked for feedback on:

- **first**, how the principles endorsed for the Commercialisation Strategy 2018/21 could be amended to address the action needed to improve the City’s historic assets; and,
- **second**, to discuss and confirm the actions needed as a result of the Historic Asset Review.

Participants’ comments were:

- **Access to the public realm, access to the Harbour**

In summary the issues were:

- there are potential benefits for BCC, stakeholders and the wider public;
- BCC was doing all it could to provide safe open access but members of the public had personal responsibility when entering the water on their own initiative;
- the need to review Land Registry records to understand which properties controlled what areas of land;
- where access included not being able to moor; and,
- BCC should use CPO powers to secure access to maintain Harbour walls.

ACTION – elected members present endorsed “push CPO”.

- **Business Rate Income**

In summary the issues were whether:

- Harbour business rate income should be ‘ring fenced’ for the harbour with (invest to save) business rate reductions; or,
- use it for other parts of the City.

ACTION – elected members present endorsed “support and promote business rates to incentivise other parts of the City”.

5. CONCLUSION

RSC are asked to note the action needed to implement the Commercialisation Strategy and Programme 2019/22, namely the continuation of:

1. The Commercialisation Strategy 2019/22 to meet the Council’s economic, social and environmental priorities.
2. The Commercialisation Programme 2019/22 - made up of major, medium level and ‘micro’ commercialisation projects - to be properly resourced and professionally supported, using the Council’s pivotal role in the local economy to work in partnership with both the private sector and other Core City Councils.
3. Major Historic Asset Programme development, as appropriate, as commercialisation development project priorities.
4. SMART objectives being applied to the commercialisation of Council services projects so that the Council approach to commercial development becomes not only up-to-date but also fit-for-purpose.
5. Improved business case preparation, evaluation, approval, monitoring and scrutiny by the continuation of a Council-wide commercialisation training programme to up-grade officer skills and knowledge in presenting projects for consideration.
6. Simplified commercialisation decision-making structures to provide opportunities for other Directorates with viable commercial projects to be part of a New Commercialisation Strategy that would make the wider Council more business-like.

7. Commercialisation and Innovation Working Group (CIWG) regular reports to the RSC on the development implementation and monitoring of the Directorate New Commercialisation Strategy and Programme.
8. The Commercialisation Strategic Plan 2019/22 and Business Plan 2019/20 as a standing information item on the Agendas of both bodies with exception reporting at the direction of both meetings.

6. Policy

Not applicable

7. Consultation

a) Internal

Elected members including CIWG members, BCC Head of Paid Service, BCC s151 Officer, Resources EDM.

b) External

Not applicable

8. Public Sector Equality Duties

Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None