

EAST HERTS COUNCIL

EXECUTIVE – 26 February 2019

REPORT BY EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

FINANCIAL SUSTAINABILITY STRATEGY 2019/2025

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

This report proposes a Financial Sustainability Strategy to be adopted for the use of both staff and members in the delivery of East Herts Medium Term Financial Plan for 2020 onwards.

The proposed strategy has been “work in progress” for the last year for the Financial Sustainability Group and draws on all the discussions and proposals considered within that group.

<u>RECOMMENDATION(S) FOR EXECUTIVE:</u>	
(A)	The Financial Sustainability Strategy is adopted and used as the key methodology for delivering the Medium Term Financial Plan 2020 onwards.
(B)	The Financial Sustainability Group is embedded as a Financial Sustainability Board and holds delegated powers to invest in projects that meet the Financial Sustainability Strategy criteria.
(C)	The action plan detailed in table 2 to be delivered through the Medium Term Financial planning process
(D)	A Capital sum is made available to the Financial Sustainability Board of £3m to invest in commercial

	income generating activity that achieves the Financial Sustainability Strategy key requirements.

1.0 Background

- 1.1 Financial Sustainability is regarded as the necessary direction of travel for local authorities across the country.
- 1.2 East Herts member and officer group has been meeting for over a year and has enabled the delivery of a number of cost saving schemes including the launch of the new Community Lottery.
- 1.3 Future years budget plans (post 2020) are not embedded across the council and therefore it is important that a strategy provides all stakeholders with the opportunity to start considering sustainable investment opportunities.
- 1.4 With the provision of a Financial Sustainability Board and a Financial Sustainability Strategy, the organisation will start to be able to react and respond to market opportunities.

2 Development of Current Services

- 2.1 The work carried out to date to consider for future funding opportunities has resulted in a number of Officer and member workshops. Following the successful initial initiative "Have your say " in 2018/19, further "Have your Say 2" workshop series focussed on Statutory/non-statutory functions and potential income stream from those provisions.
- 2.2 Based on the outcomes of these sessions the following areas were suggested as requiring additional investigation.

2.3 Table 1- Results of Have your Say briefings

Have your say results														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Development Control Section	█													
Building Control														
Community Protection														
Engineering & drainage function	█	█	█	█	█	█	█	█						
Environmental Health Section														
Env Pollution														
CAB grant	█	█	█	█	█	█	█	█	█					
Community projects														
Housing Service														
Parks Section														
Business Support Section	█	█	█											
Allotments				█	█	█	█							
Playgrounds														
Public Conveniences				█	█	█	█	█						
Refuse Collection Domestic														
Refuse Collection Commercial	█	█	█	█	█	█	█	█	█	█				
Clinical Waste														
Street Cleansing and Litter Control														
Recycling														
Parks & Open Spaces	█	█	█											
Leisure Provision				█										
Car Parking					█	█	█	█	█	█	█	█	█	█
Hertford Theatre														

2.4 Actions Arising from Results

The Financial Sustainability member group met in December 2018 and using the information provided set out an action plan for the following 12 months.

Using the areas of service that were highlighted members prepared a number of key actions that should be delivered throughout 2019-20 in preparation for the 2020 budget cycle.

These were ideas that could raise income or reduce expenditure whilst still maintaining an expected level of service and not compromising the delivery of statutory services.

Below is the action list of work to be considered:

Table 2 – Action Plan

Service	Action	Responsibility
Development Control Section	Investigate new income streams and further develop opportunities for improved revenue streams	Head of Development Control
Engineering & drainage function	Review responsibilities for this role as a District Council	Head of Housing and Health
CAB grant	Consider the level of funding the measured outcome gained from this level of investment	Head of Housing and Health
Allotments	Review level of investment and volumes - consider who is best placed for their management	Head of Operations
Public Conveniences	Review level of investment and volumes - consider who is best placed for their management	Head of Operations
Refuse Collection Commercial	Consider a joined up more commercial offering with North Herts ensuring economies of scale and streamlined charging	Head of Operations
Clinical Waste	Consider a joined up more commercial offering with North Herts ensuring economies of scale and streamlined charging	Head of Operations
Leisure Provision	Develop and consider future provision and contract management, maximising income streams	Head of Operations

Car Parking	Set up a task and finish group to consider future parking policy that is fit for purpose and is embedded in future years planning	Head of Operations
Hertford Theatre	Develop and consider future provision and contract management, maximising income streams	Head of Operations

2.0 Implications/Consultations

2.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

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