

<b>Committee:</b> Policy, Resources and Economic Development Committee	<b>Date:</b> 2 February 2022
<b>Subject:</b> Financial Initiatives Group (FIG)	<b>Wards Affected:</b> All
<b>Report of:</b> Steve Summers, Strategic Director (Deputy Chief Executive)	<b>Public</b>
<b>Report Author:</b> Name: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) Telephone: 01277 312 500 E-mail: jacqueline.vanmellaerts@brentwood.gov.uk	<b>For Information</b>

### Summary

Members will be aware that one of the key objectives within the Council's Corporate Strategic Plan 2020-2025 is to sustain £1 million revenue via commercial activities to reduce the council's revenue budget gap.

To assist with this objective and meet the targets set out in the Council's Medium Term Financial Strategy and build on the initiatives already developed it was considered appropriate to introduce a member's cross working party, re-named Financial Initiatives Group (FIG) to review and develop financial initiatives for presentation to and consideration by this committee.

On 30 September it was resolved at this committee to set up formal cross party members Financial Initiatives Group (FIG) and the Terms of Reference were agreed.

### Main Report

#### **Introduction and Background**

1. The Medium-Term Financial Strategy (MTFS) is agreed annually as part of the Budget cycle at Ordinary Council at the end February/early March.
2. Several revenue income making proposals have already been developed over several years by the Council including the introduction of a wholly owned company and various asset management initiatives.
3. To assist in meeting the targets as set out in the Council's MTFS and build on the revenue generating initiatives already in place it was agreed that a cross party Members working group is developed ensure that all opportunities are considered.

4. On 30 September 2021, Terms of Reference were agreed which set out the purpose, scope, membership and reporting arrangements of the working group.
5. The terms of reference agreed that the working group would consist of two Conservative members and two opposition members.
6. Leaders were asked to put forward nominees for the group. After internal discussions, Labour Group and Liberal Democrats Group decided not to put forward any members. Conservative Group representatives are Cllr Hossack and Cllr White.

### **Issue, Options and Analysis of Options**

7. On 29 November 2021, FIG met and discussed various initiatives put forward by Cllr White.
8. A total of 20 opportunities were identified in the meeting. Seniors Officers have reviewed further and identified 13 potential opportunities that could be taken forward and worked on in more detail.
9. The 13 opportunities have been identified in various classification groups and categorised by what could be potentially achievable in the short to medium term, as well as identifying what could deliver a High/Medium/Low financial return (see Table 1).
10. The financial classifications are:
  - a) Innovative Income Generation;
  - b) Commercialisation of existing services;
  - c) Grants;
  - d) Internal Culture;
  - e) Efficiencies; and
  - f) Demand.

**Table 1: Opportunities Identified**

No	Subject	Impact	Priority
<b>Innovative Income Generation</b>			
1	Regeneration fund	High	Short
2	Using leisure facilities to deliver services funded by public health budgets; thereby supplementing council income while enhancing the contribution that these services make to supporting health & active lifestyles.	Medium	Medium
3	Tapping into the events and filming industries. Councils have identified additional demand has been created in the community for other goods and services such as accommodation.	Medium	Medium
<b>Commercialisation of existing services</b>			
4	CCTV – Provide service to other public/private organisations	Medium	Medium
5	Environmental Health Officers – use with other authorities	Medium	Medium
<b>Grants</b>			
6	Dedicated Grant Officer resource	Medium	Medium
<b>Internal Culture</b>			
7	Participation in knowledge transfer programmes to share lessons, challenges and opportunities from local authorities taking an entrepreneurial approach to delivering services.	Low	Medium
8	Move to a 10-year, rolling budget that could be easily accessed and used by all to understand the impact of each decision to spend or save	Low	Medium
9	Use of the 4-yearly LGA challenge to get expert informal advice on strategy and direction.	Low	Short
<b>Efficiencies</b>			
10	Encouraging volunteers to form friends of parks groups, in order to offset direct resources.	Medium	Medium
11	Sharing services with other authorities.	High	Short
12	Purchasing groups based on a proposal to simplify the current process for procuring goods and services by each authority to a single process.	Medium	Medium
<b>Demand</b>			
13	Move election cycles to all-out reducing the cost of electoral service activities.	High	Short

11. Three opportunities have been identified as potentially high impact opportunities; however further detail is still required to ascertain what potential financial return is possible.
12. Four Opportunities have been identified that could be reviewed within the short-term using existing resources.

13. FIG will meet regularly (next meeting to take place in February – date TBC) and will monitor the progress of the identified opportunities and report further updates to the Policy, Resources & Economic Development Committee (PRED).

### **Consultation**

14. None.

### **References to Corporate Plan**

15. Delivering an efficient and effective council – Sustain £1 million via commercial activities to reduce the revenue budget gap.

### **Implications**

#### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources)**  
**Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk**

16. There are no direct financial implications arising from this report. The member Financial Initiatives Group (FIG) have identified potential ideas that could have future financial implications. Opportunities that have been identified will be worked on in further detail and monitored by FIG, who will in turn bring update reports to PRED Committee.

#### **Legal Implications**

**Name & Title: Amanda Julian, Corporate Director (Law & Governance) and Monitoring Officer**  
**Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk**

17. The Council has various statutory provisions that enable us to trade, charge and make a profit.
18. The Local Authorities (Goods and Services) Act 1970 facilitates municipal trading, the Localism Act 2011 General Power of Competence enables us to do what an individual can do if there is no provision in any other legislation to prevent the activity. This means we can charge for discretionary services and can use commercial companies for trading purposes. There are also the powers under the Local Government Act 2003 s93 charging and s95 commercial trading.
19. The Council by working within the statutory framework available when exploring different solutions to reduce the revenue gap, will ensure any decisions made are transparent and within its powers.

**Economic Implications**

**Name/Title: Phil Drane, Corporate Director (Planning & Economy)**

**Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk**

20. It is important to create a forum for the discussion of ideas that could generate new forms of income so that this can be reinvested in the local economy consistent with corporate strategy objectives to grow the economy.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

**Background Papers**

None

**Appendices to this report**

None