

# **PLACE DIRECTORATE**

## **4 year plan 2016-2020**

## Introduction

This plan sets out the future direction of the Place Directorate over the next 3 years. The Place Directorate is one of three Directorates in the Council.

It is intended that the plan will be reviewed annually over the next 3 years. The plan contains a greater level of detail for year one. The detail for the following years will be developed as Council policy develops and will take into account consultation about the services affected. There will be a staged approach to consultation.

These plans will be considered by PDS panels in November 2015, have been developed by the Cabinet, and will inform the 2016/17 budget setting process.

## Section one – Corporate Overview

### Strategic Context

The Bath and North East Somerset 2020 vision sets out our overarching aspirations for the future including good health and wellbeing, economic growth, financial sustainability, an effective transport system and an efficient, well run Council. The vision was developed in partnership with the NHS, police, local business, education, the fire service and the voluntary sector.

***‘Bath and North East Somerset will be internationally renowned as a beautifully inventive and entrepreneurial 21<sup>st</sup> century place with a strong social purpose and a spirit of wellbeing, where everyone is invited to think big – a ‘connected’ area ready to create an extraordinary legacy for future generations’***

We are already making good progress in working towards this vision. We are a national leader in the integration of health and social care services for both adults and children and our relationship with the NHS continues to grow. Educational outcomes are good at every level and local unemployment is low at less than five per cent. Our Connecting Families programme, working with vulnerable families, is one of the most successful in the country and the Roman Baths is one of the top most visited heritage sites in the UK.

However, we know that we need to do even more in order to be financially sustainable and deliver high quality services into the future. The landscape for public services continues to change and over the next four years we will need to adapt to a growing local population, reduced funding from central government and new legislation that will change the way we deliver some services.

These changes, coupled with an increasing demand for many services means that we need to transform the way we deliver some services, whilst holding onto our commitment to excellence. We have identified four corporate priorities for achieving this as we move towards our 2020 vision:

- A strong economy and growth
- A focus on prevention
- A new relationship with customers and communities
- An efficient business

If we get this right we will be able to continue to provide exemplary public services for local residents.

## **Financial Context**

The previous Medium Term Service and Resource Plans covered the 3 year period of 2013/14 – 2015/16 and was in line with the existing Council budget priorities and policy framework.

Since the national and local elections in May 2015 the Government has not provided any detailed information on local government funding beyond 31 March 2016, although the Chancellor announced an Emergency Budget Statement on 8 July 2015. This will be followed by a Spending Review leading to the Financial Settlement for Local Government around Christmas 2015.

We therefore cannot be certain about local government funding from 2016/17 onwards, although we can expect the financial challenge facing the public sector to continue throughout the period of this parliament from 2016/17 to 2019/20. The recently announced national proposals about 100% business rates retention will not necessarily improve the financial standing of the Council as the benefits may be offset by other changes. Nevertheless it is clear that there will be an even greater financial incentive for local economic growth.

Whilst the scale and speed of funding reductions are not yet clear, there are a number of factors which we can identify that will impact on our funding going forwards:

- Continuing reductions in the national control total for local government funding – we assume this will be around 40% over the next four years with an element of front loading.
- A significant increase in employer's national insurance contributions to fund the new national pension arrangements – equivalent to £2.4M in 2016/17 in cash terms.
- The ongoing impact of new legislation including the Care Act 2014 and the cost of adult social care.
- The need to provide for future pay inflation.
- The potential impact of changes to interest rates and the revenue cost of meeting the Council's full borrowing requirement.
- The level of inflationary and demographic cost pressures.

The initial Financial Planning work to look at the future scale of this financial challenge for the Council originally estimated that the likely savings, or additional income required, would be around £38M for this 4-year period. The position has been reviewed in light of both local and national decisions and announcements resulting in a reduction in the estimated financial planning target to just over £30M. Given the scale of savings already achieved in the current Medium Term Financial Plan and Budget, it is likely that future savings will require some prioritised changes to Council services.

As part of this, the decision of Council to make a contribution of £1.5 million from reserves to meet an on-going revenue budget gap in the 2015/16 budget has been addressed during the current financial year.

It is too early to accurately predict the full financial impact of the Government's Spending Review and related financial risks, although these have been assessed and may give rise to further savings requirements.

A rigorous process is being applied to support the development of the Council budget and medium term financial planning process going forwards, including a review of both the Council's revenue budgets and the current Approved Capital Programme.

The Cabinet will therefore seek to put in place these new Directorate Plans to establish a new Medium Term Financial Plan to cover the four years from 2016/17 to 2019/20 and will consider a range of options to make savings, explore new models of service delivery, deliver innovation and efficiency, and generate additional income.

A Strategic Review has been taking place to do just this, covering the four strategic priorities. The Review considers spending across the Council to ensure efficiency savings and income generation opportunities are maximised ahead of reductions to Council services. The outputs from this review are reflected in the Directorate Plans.

The specific financial aspects of the proposals for this Directorate are set out in Appendix 4 – Finance & Resource Impacts.

## Section two – Directorate Summary

The Place Directorate is comprised of three key areas: Environmental Services, Community Regeneration and Development.

The Directorate employs over 750 Fte providing both key frontline and professional services.

The Council's vision for Bath and North East Somerset is:

***to be internationally renowned as a beautifully inventive and entrepreneurial 21st century place with a strong social purpose and a spirit of wellbeing, where everyone is invited to think big – a 'connected' area ready to create an extraordinary legacy for future generations.***

Key aspects of the vision link into the work and delivery of services associated with the Place Directorate as outlined below:

- **'Internationally renowned'** – to be a place where businesses want to relocate and where visitors continue to be attracted.
- **'Beautifully inventive'** – continue to deliver services effectively and efficiently through constantly seeking new and improved ways of working.
- **'Strong social purpose'** – promoting positive social outcomes from the services we deliver
- **'Spirit of wellbeing'** – putting health and wellbeing at the core of what we do.
- **'Connected'** – ensuring connectivity issues are addressed.

### Values

The Council's core values are:

**Only** promise what we can deliver

**Nurture** creativity and innovation

**Excel** in everything we do

The Place Directorate will therefore strive to be:

Honest

Creative

Excellent in all that we do

In order to achieve this we will continue to learn, develop and adapt to changing environments and priorities.

## **Main report: Directorate intentions**

The commitments for the Place Directorate to 2020 are detailed below. In addition there are specific activities associated with the Strategic Review. These are covered in Section 3 – the 4 year Financial Strategy.

### **A strong economy and growth**

We will:

- Deliver the Core Strategy Target for jobs and infrastructure, including the delivery of 2880 new homes by 2018/19.
- Commence delivery of the Economic Strategy including submission of a bid for the Cultural Status award 2017.
- Deliver the Destination Management Plan by December 2015 and develop an Events Management Plan by March 2016.
- Implement Transport Strategies for Keynsham, Chew and Somer Valleys by March 2016.
- Implement 'Better Business for All', a joint programme with North Somerset, which plans to deliver jobs and growth linked to regulatory services by April 2017.
- Deliver the Heritage Services Business Plan 2015-2020 with the aim of growing annual profit to £6m by 2019/20. Submit further Heritage Lottery Fund application for the Archway Centre by June 2016.
- Complete a Parking Review Study by March 2017 and commence implementation of any changes ensuring they link with strategic aims.
- Continue to deliver key plans for Keynsham including the delivery of employment space, housing sites and other town developments.
- Deliver the Bath City Riverside Enterprise Area Masterplan including the generation of 1650 jobs, 920 homes and agreement on Bath Quays North and South development. Innovation Quays detailed business case produced by summer 2016.
- Agree the Somer Valley Implementation Plan by March 2016 with the Midsomer Norton digital pilot established by June 2016.
- Agree Community Infrastructure Levy (CIL) Spend Priorities based on income estimated at £1.5m by 2018/19. Review B&NES Infrastructure Delivery Plan as part of the CIL spend process.
- Gain approval to the Highway Asset Management Plan by March 2016, improving the overall highway network and its safety.
- Develop business plans to access the Economic Development and Local Growth Funds, supporting infrastructure proposals for the Enterprise Area. Target 15% of Local Enterprise Partnership funding, Local Growth Fund £500k pa and implement Cycle Ambition Fund by March 2018.
- Continue to roll out broadband within B&NES, digital B&NES pilot live March 2016.
- Complete the East of Bath Park and Ride study by December 2015. Park and Ride site completed by March 2021. Explore case for removal of through traffic from Bath by September 2016.

- Develop, monitor and implement the World Heritage Site (WHS) Management Plan, by November 2016, ensuring that the status is maintained.
- Commence delivery of the B&NES Cultural Plan by March 2016.

### **A focus on prevention**

We will:

- Commence works relating the Waterspace Study by March 2016.
- Implement the Network Management Plan following its approval in March 2016.
- Re-locate and develop a modern purpose built waste facility by March 2020.
- Review the delivery of the Fleet Management service by March 2017 and replace 20% of the light fleet with alternative fuel vehicles by March 2020.
- Develop and implement an Urban Gulls Strategy by March 2016.
- Work with partners to develop and support sustainable and affordable housing solutions for those who are homeless or in need. Delivery of 720 affordable homes by March 2019.
- Improve air quality through development of air quality action plans for Keynsham, Saltford and Bath by March 2016.
- Achieve a 1% year on year increase in participation in physical activity through the delivery of the 'Fit for Life' Active Living Strategy.
- Enhance our leisure facilities with a new leisure provider improving Bath's leisure centre by December 2017 and a new centre for Keynsham by March 2019.

### **A new relationship with customers and communities**

We will:

- Deliver the B&NES Waste and the West of England Waste Strategies, including the redesign of the waste collection service by November 2017. Achieve an 80% household waste recovery rate.
- Work with Parish Council's communities and key partners to deliver and adopt Neighbourhood Plans by Dec 2015 and Placemaking Plans by December 2016.
- Maintain 70% validation of planning applications within 1 week and 50% of major planning applications delivered within 13 weeks.
- Continue to complete 95% of land searches within 15 working days and 90% of building regulations applications receiving a decision in 3 weeks.
- Put the customer at the forefront of what we do, maintaining our Customer Service Excellence status and embed customer service standards by Summer 2016.
- By March 2016 launch a Noise Investigation Toolkit, for use by customers and evaluate its use and success through customer satisfaction surveys.

### **An efficient business**

We will:

- Explore bids for electric buses for the Odd Down and the Eastern Park and Ride and Clean Bus Technology Fund during 2015.
- Investigate and potentially implement the delivery of a Joint Highways Contract with North Somerset by March 2016.
- Agree and commence delivery of joint working arrangements with North Somerset for Regulatory Services by March 2016.
- Explore ways to develop the parks service and generate income through events and weddings and consider other options by March 2017.
- Review the operational delivery of the Bereavement service to generate investment with options outlined and a decision made by March 2016.
- Aim to deliver 98% of the Highways Capital programme on time and to budget.
- Implement the projects outlined as part of the Strategic Review and detailed in section 3, and continue to look for ways to generate income and make processes more streamlined and efficient in order to make savings.

## Risks

The key risks associated with the Place Directorate are:

<b>Key risk</b>	<b>Mitigating Actions</b>
Inability to achieve the Business Rate return required from the Enterprise Area.	EA Masterplan Approved and adopted by Council and linkages made with the Placemaking process to ensure that the proposals have a policy base
Highways Asset Management Plan (HAMP) not in format required to secure government funding.	Consultants and officer appointed to increase capacity to deliver a successful HAMP and undertake valuation of assets
Income and savings targets not delivered	Strategic Review being undertaken in order to identify potential income and saving opportunities
Target for affordable housing provision not achieved.	Council funded schemes where appropriate; use of sec 106 and CIL funding where appropriate and effective partnership working with HCA and housing associations to secure new provision
Lack of capacity and recruitment difficulties within specific service areas.	Restructures and targeted recruitment and joint working opportunities with neighbouring authorities.
Renewal of major contracts	Contract Board established along with appropriate cross directorate project teams which are being supplemented with external expertise
Delivery of the Bath Transport Strategy	Strategy approved, action plan being developed, funding being sought



### **Section 3 – 4 Year Financial Strategy**

The Directorate's financial strategy is to deliver the changes set out in the previous section in accordance with the budget summary, impact statement, and capital programme attached.

Within this Directorate there is a dedicated business support team which work closely with the services to support all aspects of finance. The lead role for finance is carried out within the Resources Directorate by the Divisional Director for Business Support, who is the S151 officer, and responsible for the corporate finance strategy.

In terms of workforce it is possible that there may be a small number of posts reductions as a result of the proposals put forward and there may also be requirements to amend working patterns. There will be a shift in skills requirements towards a commercial skills focus in order to maximise income generating opportunities and there will be a refocus of skills usage to ensure most efficient and effective use of staff resources.

For capital project delivery internal and external expertise will continue to be used as required in to enable a flexible approach.

Appendices 2, 3 and 4 support the approval of the Councils 4 year financial strategy.

### **Appendices**

- Appendix 1: Directorate structure
- Appendix 2: Directorate budget summary (headline numbers)
- Appendix 3: Draft Capital Programme 2016/17 to 2019/20
- Appendix 4: Finance and Resource impacts