

PUBLIC

MINUTES of a meeting of the **CABINET MEMBER FOR STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND BUDGET** held on 2 February 2016 at County Hall, Matlock

PRESENT

Cabinet Member – Councillor Ms A Western

Also in attendance – Councillors B Lewis

5/16 **MINUTES RESOLVED** that the minutes of the meeting held on 12 January 2016 be confirmed as a correct record and signed by the Cabinet Member.

6/16 **DERBYSHIRE CHALLENGE FUND BID FOR THE FUNDING TO DELIVER A PILOT TO DEVELOP COMMERCIAL AWARENESS WITHIN THE COUNCIL** Councils had been facing dwindling budgets for a number of years. At the same time they had come under pressure to perform better and work more efficiently. When more traditional means of reducing budgets had been exhausted, councils were looking instead to developing more entrepreneurial approaches to generating additional income.

Income generation in the context of local government generally explored a range of avenues including looking at sponsorship opportunities, increasing fees and charges, exploring trading opportunities such as the commercial exploitation of council services and events, maximising VAT, improved asset management and attracting new sources of grant funding.

The Council's pressing budget position would indicate that it made sense to understand both our trading and trading potential and be able to maximise that same potential where that was possible. Research highlighted various challenges to facilitating even greater enterprise, including the need to ensure that council staff had the skills necessary to enable them to maximise commercial opportunities. Feedback from departments through the Learning and Development and Traded Services routes evidenced that teams currently trading felt that they did not necessarily have the right skills and expertise to develop their business proposition. They considered also that the council may not yet have refined its business practices to support a more commercial way of working including the choice of a delivery vehicle for the traded operation.

A proposal to utilise the Derbyshire Challenge Fund was submitted to and subsequently endorsed by the Corporate Management Team in November 2015. The detailed bid was attached in Appendix A to the report.

It was proposed that funding be agreed to take forward a pilot project during 2016 which captured senior leader development, commercial awareness training for departmental teams, consultancy regarding income generation methodology and approach, support in taking ideas to market and in managing the necessary change.

The funding, up to £19,500 including on-costs, would secure the support of external consultancy - experts in the field of commercial development and with long experience of working with councils in this area. The funding would allow for a pilot project to be delivered. The aim of the pilot would be to maximise existing trading opportunities and ensure those managers involved were able to transfer this knowledge to consideration of new income generating projects.

Once the pilot was complete, its success would need to be reviewed against a number of pre-agreed criteria and if these were met, a decision would need to be taken to determine how the pilot might be embedded into future council practice. A decision about roll out would be taken by the Strategic Director Corporate Resources along with the Cabinet Member for Council Services. It was proposed that as part of this report, the Cabinet Member authorised, subject to the above post pilot review, further expenses to meet the cost of any project rollout. These could be met from general reserves.

RESOLVED to approve the application to the Derbyshire Challenge Fund attached at Appendix A to the report and subsequent project delivery.