

Cabinet

12 September 2019

Development of the Council Plan 2025 and Medium-Term Financial Strategy

Recommendations

That Cabinet:

1. Approves the process and timetable for developing the Council Plan 2025.
2. Authorises the Chief Executive in consultation with the Leader, Deputy Leader and Portfolio Holder for Customer and Transformation to finalise the Council Plan engagement tool and the arrangements for engagement.
3. Notes the progress in developing a five-year Medium-Term Financial Strategy (MTFS) to support the Council Plan and plans to finalise the MTFS alongside the draft Council Plan which will be presented to Cabinet in December.

1.0 Background

- 1.1 This plan will inform, and is integral to, work taking place in parallel to develop a new Medium-Term Financial Strategy (MTFS) which will be prepared on a five-year rolling basis.
- 1.2 The parallel development of both the Council Plan and MTFS are taking place in a rapidly changing national context. Our process has been designed to be flexible and sufficiently agile to respond effectively to changes in the external environment.

2.0 Development of the Council Plan 2025

- 2.1 The outline of the draft Plan is based on the County Council's three priority outcomes, and the 14 objectives which support them, with some minor drafting amendments. This reflects the long-term nature of the outcomes and objectives and supports strategic alignment both with the Council's other supporting strategies, new performance framework, the development of our financial framework and the wider transformation programme. The outcomes and objectives, which drive the development of the Council Plan and MTFS, are included at the **Appendix**.

2.2 Following the Council's declaration of a climate change emergency in July 2019, a Task and Finish Group will develop proposals for an action plan. This will be a cross-cutting theme underpinning the final Council Plan.

3.0 Proposed engagement programme on the Council Plan 2025

3.1 As part of the development of the Council Plan 2025 we plan to engage with the public and wider stakeholders during September and October. This engagement will:

- show the level of support for the proposed outcomes and objectives which will drive the plan;
- give an indication of public and stakeholder priorities across objectives;
- give feedback on impact of achieving objectives and not achieving them;
- yield specific suggestions to inform the work of the Climate Change Task and Finish Group to develop an action plan following the Council's declaration of a climate change emergency in July (there will be a dedicated section on this issue);
- provide feedback on how people would like to be engaged and informed about our activities and plans; and
- inform the look and feel; and enhance the evidence base of the Plan from evidence garnered from the public.

3.2 There will be an engagement tool on which to base the engagement process. The proposed engagement tool will comprise a short background document and an on-line survey, both of which will inform a programme of engagement events.

3.3 Following a similar format to that used in previous years, we will also be holding a series of engagement events around the County, facilitated by our Marketing and Communications Team. All Members will be informed of to the final dates of engagement events and invited to attend.

3.4 Pull-up banners will show the Council priorities. These will include stimulating graphics to engage the public in what the Plan is seeking to achieve. People will be invited to indicate their top three priorities and provide suggestions as to how they can be achieved. They will also be asked which of the Council's priorities are of greatest concern to them. Comments and responses will be recorded along with responses elicited through the engagement activity. All of this material will then be shaped to inform the final draft Council Plan.

3.5 In addition to the roadshows, we propose to launch an engagement survey on the "Ask Warwickshire" site between mid-September and mid-October 2019.

3.6 The survey will be aimed at residents; individuals who work in Warwickshire, and representatives of local businesses and organisations. The survey will ask respondents to:

- indicate which of the proposed objectives of the Council Plan 2025 are most important to them; and to provide suggestions as to how we should address them;
- provide suggestions as to what Warwickshire County Council might do to reduce its carbon footprint; and
- comment on the financial aspects of the Council Plan 2025.

3.7 The engagement survey will be promoted through the County Council's communication channels (website, social media, press etc) and through direct promotion to relevant stakeholders. Analysis of the survey will be carried out by the Council's Insight Service.

3.8 The final draft Council Plan 2025 will be presented to Cabinet in December, and to full Council in February 2020, along with feedback from the engagement process and any material changes from the wider external landscape.

4.0 Development of the MTFs

4.1 The Council is developing a medium-term financial strategy covering a rolling five-year period, which will underpin the delivery of the Council's objectives and outcomes as set out in the Council Plan.

4.2 Given the uncertainty around longer-term funding, it is important that the Council has a clear financial strategy to ensure decisions can be taken in the context of the longer-term demand and financial context. This approach will also enable us to respond effectively to changing circumstances while maintaining a longer-term focus on the Council's financial sustainability.

4.3 The recent funding Spending Round announcement on 4 September has provided clarity on funding up to 2020-21 only. This includes provision of additional resources in a number of areas of significant budget pressure, including special educational needs and social care. How the new funding will be distributed is subject to further detail and/or technical consultation so it will take time to assess the full implications for the MTFs and Council Plan.

4.4 It is crucial to note that this is a one-year settlement only in most service areas, so considerable uncertainty remains beyond this date. The Government has announced a delay until 2021-22 in key changes to long-term Council funding, including Business Rates Retention and the Fair Funding Review.

4.5 As a result, the Council will need to maintain a focus on financial sustainability, in particular delivering the benefits of its Transformation Programme to ensure it is in the best possible financial position going in to future spending rounds affecting years beyond 2020-21.

4.6 In developing the Medium-Term Financial Strategy, it is essential that a realistic position on future funding is presented. Work is underway to identify

and take account of any known drivers which are impacting on services; and forecast spend for future years, which need to be reflected in the Strategy. At the same time, we are also undertaking a substantial review of historical budgets and spending patterns and making adjustments. Our priority is to 'right size' budgets.

4.7 The key 'building blocks' which will inform the MTFS include:

- continued growth in demand in relation to children's social care and special educational needs;
- increased demand for home to school transport;
- the impact of housing growth on demand across a range of services including waste management;
- increased demand and pressure on services and schools funded through the Dedicated Schools Grant;
- changes to pay awards and also other inflationary increases;
- the impact of the tri-ennial review of the Pension Fund which will impact on the employer contribution rate;
- financial benefits arising from the transformation programme; and
- changes in statutory requirements and policy changes.

5.0 Financial Implications

5.1 The Council Plan and MTFS will set the financial direction for the medium term. The precise impacts of the Spending Round 2020-21 are under consideration and will inform the draft MTFS due for presentation to Cabinet in December.

6.0 Environmental implications

6.1 The Council Plan engagement will specifically address climate change and environmental issues to inform the final Plan and MTFS.

7.0 Next steps

7.1 Next steps and key dates for the engagement process are set out below. The timetable is subject to change.

Date	Audience	Activity
21 September - 20 October 2019	Public / Stakeholders	Engagement Tool live with online Engagement Survey (4 week survey period)
By 1 October 2019	All Members	Roadshow preparation and material
October - November 2019	Public (Member led)	Roadshows Live

12 December 2019	Cabinet	Draft Council Plan, including feedback from engagement MTFS proposals
January 2020	All Members	Council Plan 2025 updates via Re:Member
8 February 2020	Full Council	Council Plan 2025 and 2020-21 budget decision

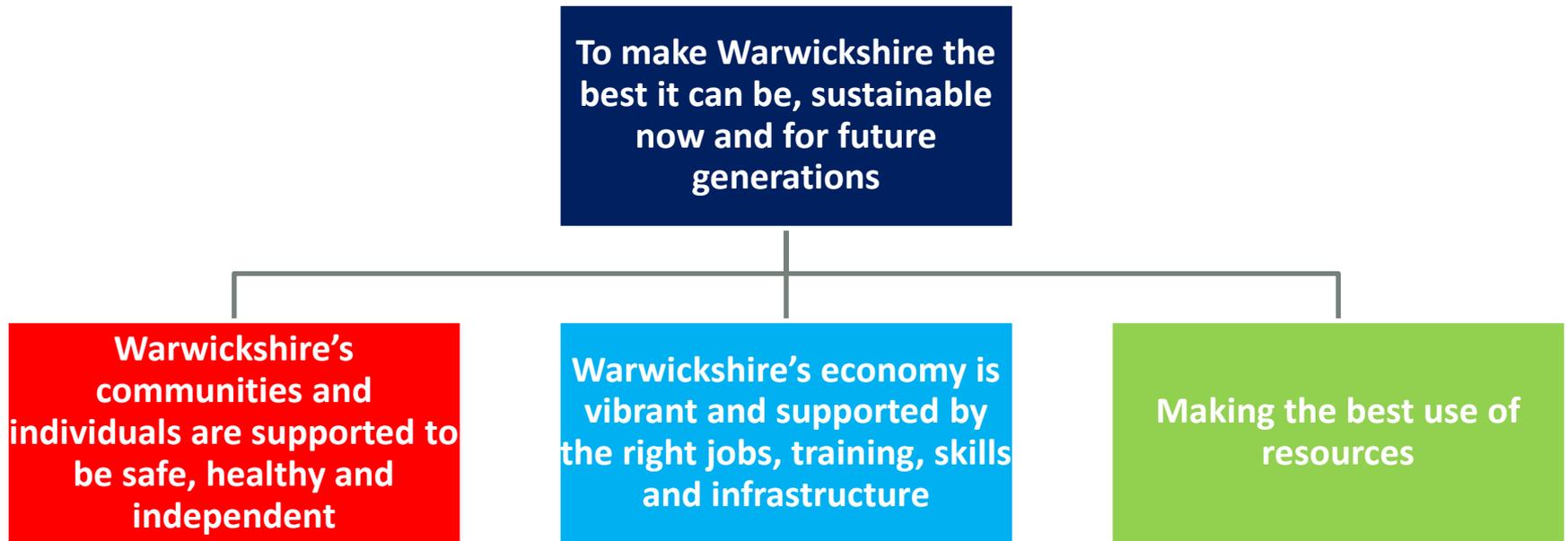
Background papers

None

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This report was not circulated to members prior to publication.

Appendix 1 - Corporate Outcomes and Objectives



Warwickshire's communities and individuals are supported to be safe, healthy and independent

Support our most vulnerable and disadvantaged children reducing the need for children to become, or remain looked after

Support Warwickshire residents to take responsibility for their own health and wellbeing and reduce the need for hospital or long term health care

Support the most vulnerable & disadvantaged adults in Warwickshire to enjoy life; achieve & live independently

Work with communities to promote safety, prevent harm and reduce crime and disorder and across Warwickshire

Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure

Attract economic investment and maximize the rate of employment, business growth and skill levels in Warwickshire

Manage and maintain Warwickshire's transport network in a safe, sustainable and integrated way

Support communities and businesses to develop the digital skills and tools they need in an increasingly digital economy

Reduce household waste and increase reuse, recycling and composting rates across Warwickshire

Support and enable children and young people to access a place in high quality education settings and achieve their full potential

Making the best use of resources

Make it easy for customers to access our information and services so they have a positive experience of our services

Put our financial resources in the right place to support the Organisation's priorities

Develop our work force so that it has the right skills and capabilities to get the job done

Reduce demand and cost through innovative and effective service redesign

Pursue leadership excellence and high performance at all levels