



COMMERCIAL
STRATEGY
2018-2021



OUR JOURNEY

Basildon Borough Council

Our vision for **Basildon Borough Council** is to be a commercial innovator and public sector entrepreneur, in order to preserve the public purse and support our medium term financial strategy.

This will be achieved through:

- the generation of new income and efficiency savings
- maximising existing revenue streams
- collaborative partnerships
- competing in markets of supply and purchasing
- effectively managing contracts
- prudent investment into assets.

All underpinned by a robust **Commercial and Financial Strategy**.

Our staff will work in the **best interests of the community**. We will embed a **commercial culture** where valuable skills and opportunities are nurtured, and create a more business-orientated organisation which both staff and residents are proud of.

Our purpose is to preserve the public purse, to support the medium term financial strategy and to enable the reprioritisation of resources to deliver maximum outcomes for our community.

STRATEGY OUTCOMES

Outcome One:

To generate income through commercial activity, whilst ensuring we support the delivery of quality services to our residents.

Outcome Two:

To build strong working partnerships with public, private and third sector organisations in order to maximise collaboration and stimulate financial savings.

Outcome Three:

To embed a commercial culture within the council, supporting our staff to embrace entrepreneurialism and produce new ideas through workshops and training sessions.

Outcome Four:

To support the council in the delivery of the corporate plan and growth agenda as a key element of the medium term financial strategy.

Outcome Five:

To improve the commercial awareness and buy-in of our leadership teams and members through dedicated training programmes.

Outcome Six:

To stimulate business growth and trading opportunities in order to further the commercial development of the council and deliver wider benefits to the community.

Outcome Seven:

To optimise the council's use of technology and support the digital agenda in order to enable new ways of working, generate savings and improve service quality for our staff and residents.



WHERE ARE WE NOW?

Challenges faced:

- Reduction in central government funding to local authorities
- Increasing demand and the rise in the ageing population
- Greater uncertainty and financial pressures
- Increased market competition
- High level of national risk and economic factors.

Successes to date:

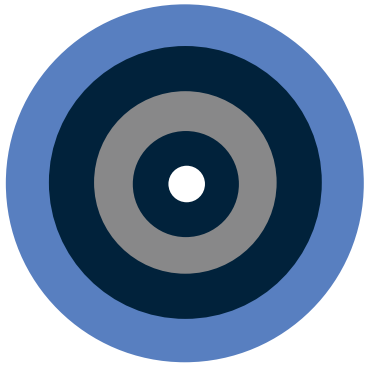
- Creation of a Commercial Asset Portfolio
- Cashable returns generated
- Savings derived from the Basildon-Brentwood Council Revenues and Benefits Partnership
- Formal launch of the Commercial Asset Acquisition Strategy
- Creation of a multi-agency community hub and generating substantial income
- Delivery of Sempra Homes to address housing demand.

HOW ARE WE GOING TO REALISE OUR STRATEGIC OUTCOMES?

- Act with intelligence and agility
- Embrace transformation
- Understand that resources are required for growth and change
- Develop and operate within a strong governance model
- Act with integrity and high ethical standards
- Protect public funds and manage risks effectively
- Embrace commercialism and maximise income
- Create opportunity and then nurture it
- Actively market our resources to provide services for other councils through partnership working
- Know when to stop doing something
- Greater focus on procurement and contract management
- Create a sustainable commercial programme
- Know the marketplace and act competitively
- Establish a strong commercial culture and uplift staff skills
- Drive digital enablement, product sets and efficiencies
- Demand more from service providers and contracts
- Ensure we get value for money for our communities
- Listen to our staff and customers
- Actively seek and work with our partners commercially
- Engage with specialist professional partners
- Pursue opportunities to generate efficiencies and financial savings
- Dispose of assets when the market is no longer viable.



THE PRINCIPLES WE WILL FOLLOW



1

What are the goals of the journey?

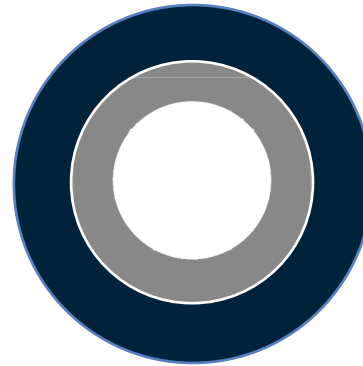
- Create opportunity for staff and residents
- Generate cash to invest in members priorities, services and improvements for our residents
- Maximising value from our assets and income streams
- Become a self-sufficient authority
- Expand commercial understanding across our organisation
- Optimise the use of technology
- Enhance the council's reputation as a commercial organisation
- Working with partners
- Stop activities that add no value or benefit to customers
- Challenge where services can be commissioned.



2

How will we fund and resource the journey?

- Achieve annual targets
- Return on investment to fund services
- Making every penny count
- Exploring opportunities to sell and share our services
- Maximising existing revenue streams
- Seek new opportunities for income, savings and trading
- Effective and proportionate risk management
- Strategic and operational planning
- Access to government grants and other funding
- Spend to save initiatives.



3

Who will make this happen?

- Endorsement from Members of the Council
- Sponsorship from our senior leadership team
- Facilitated by a highly-skilled commercial team
- Collaboration across all council services and teams
- External specialist support
- Initiatives owned by services.



4

How does the strategy support the delivery of our organisational goals?

- Robust financial and commercial service programmes aligned to the corporate plan
- Supports the MTF5 and the closure of the funding gap
- Uses commercial activity to leverage funding opportunities in order to support regeneration of the borough.



5

What is the governance structure?

- Annual review of governance processes
- Regular senior leadership team meetings
- Alignment to the corporate governance structure
- Delegations from committees to ensure an agile approach.



6

How will the risks be managed?

- Partner with industry experts and specialists
- Ensure transparency and effective communication
- Rigorous approval processes and project scrutiny
- Following corporate risk management and mitigation procedures
- Effective management of contracts
- Meticulous due diligence.



7

What are the tools we will use?

- Exercise statutory powers
- Shared Service agreements
- Crown Commercial Service framework agreements
- G-Cloud framework agreements
- Joint ventures partnerships
- Arms length management organisations
- Trading vehicles.

OUR COMMERCIAL PARTNERS



The council's partner together in order to deliver quality revenues and benefits and repairs and maintenance services in a nationally recognised partnership agreement that is set to continue growing in the future.

In August 2017, the council procured the services of Asset Investment specialists DTZ Investors, in order to support with the deliver of the Commercial Asset Acquisition Strategy and the investment of £80m in commercial assets across the UK.



Basildon Borough Council partners with Castle Point Borough Council to support their planning services, contributing to the generation of ongoing income for Basildon.

Both Essex Police and the National Probation Service have personnel permanently based at the Basildon Centre as part of the wider Customer Partnership Programme and form an integral aspect of the Community Hub.



Citizens Advice and Job Centre Plus are another two partner bodies who are pivotal members of the Community Hub, commanding a 'front of house' presence in order to deliver essential services to residents.

Basildon Borough Council used a Section 101 approach to deliver the Audit Services of Rochford District Council in order to generate a new income stream.



Representing the largest DWP co-location in the UK, this partnership delivers services directly to residents within a single community hub based in Basildon. Not only does the council generate an income from this successful partnership, but it has also received national and royal recognition.

The council established Sempra Homes as a commercial arm dedicated to the construction of affordable rent, shared equity and private sale homes.





www.basildon.gov.uk