

**Agenda Item No: 4**

**COMMERCIAL STRATEGY**

*To:* **Commercial and Investment Committee**

*Meeting Date:* **26<sup>th</sup> April 2019**

**Amanda Askham – Director of Business Improvement and Development**

*Electoral division(s):* **All**

*Forward Plan ref:* **2019/034** *Key decision:* **Yes**

*Purpose:* **To provide an overview of the proposed Commercial Strategy 2019-2021.**

**To seek endorsement for the Strategy and the accompanying Key Performance Indicators.**

*Recommendation:* **To accept the revision made to the Strategy following comments received at the Committee of the 22<sup>nd</sup> March and endorse and recommend to Full Council to agree the Commercial Strategy 2019-2021**

<b><i>Officer contact:</i></b>		<b><i>Member contact:</i></b>	
Name:	Amanda Askham	Name:	Cllr Steve Count
Post:	Director Business Improvement	Post:	GPC Chairman
Email:	<a href="mailto:Amanda.Askham@Cambridgeshire.gov.uk">Amanda.Askham@Cambridgeshire.gov.uk</a>	Email:	<a href="mailto:Steve.Count@Cambridgeshire.gov.uk">Steve.Count@Cambridgeshire.gov.uk</a>
Tel:	01223 703565	Tel:	01223 706398

## **1. COMMERCIAL STRATEGY 2019-2021**

- 1.1. Our 2019-2021 Commercial Strategy marks a decisive point in the Council's commercial approach; establishing what commercialisation means to the organisation, the key objectives we are looking to achieve and how we measure this. The Council has recognised the need to develop strength and depth in our activity and create commercial returns which contribute to supporting crucial frontline services.
- 1.2. This Commercial Strategy, its themes and enablers have been developed in consultation with Members, lead officers and our partners.
- 1.3. Through the process of consultation and engagement, it was highlighted that the Strategy must consider both its contribution to achieving the Council's financial ambitions as well as valuing the social aspects of current and future opportunities. This Strategy explains the tools and guidance that will enable opportunities to be assessed holistically and against a range of financial and non-financial considerations.
- 1.4. On adoption of the Commercial Strategy, we will be reporting Key Performance Indicators to Commercial and Investments Committee on a regular basis to evaluate progress against the three commercial themes.
- 1.5. This strategy has been updated following comments from the Commercial and Investments Committee held on 22<sup>nd</sup> March 2019. The following revision have been made:
  - Explanation that the key performance indicators will be monitored to C&I Committee through the Integrated Finance and Performance report (targets will be agreed as part of the reporting cycle)
  - Define the term 'social value' and provide the key economic and non-economic benefits that will be considered in assessing the value within our activities.
  - Provide an explanation to the Opportunity Appraisal Framework tool and how it will be used to assess commercial activities and opportunities.

## **2. ALIGNMENT WITH CORPORATE PRIORITIES**

- 2.1. The Strategy is focused on creating commercial returns to support the delivery of crucial frontline services which drive positive impact on all three Corporate Priorities.
  - A good quality of life for everyone
  - Thriving places for people to live
  - The best start for Cambridgeshire's children
- 2.2. This will be achieved by:
  - Using our public assets wisely and raising money in a fair and business like way to generate social return for all citizens of Cambridgeshire
  - Growing financial and social capital place by place by stewarding local resources including public, private and voluntary contributions
  - Continuing to invest in the environment, infrastructure and services that are a vital part of everyday life for everyone in the county and for a thriving local economy.

### **3. SIGNIFICANT IMPLICATIONS**

#### **3.1 Resource Implications**

To deliver the ambitious commercial targets we will require some additional expertise across the three priority areas:

- contract management, market shaping and procurement
- contribution and funding
- acquisitions and investment

A full action plan and specification for resource (internal and external) will be developed following approval of the Strategy by C&I Committee.

#### **3.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

One of the priority areas of the Strategy indicates an innovative approach to procurement and contracting. Work on this has started with colleagues from Procurement and through the Commercial Board and will continue to develop once the Strategy is approved.

#### **3.3 Statutory, Legal and Risk Implications**

Our ability to deliver the Strategy will depend on a number of factors including how well we use our legal powers and delegations and the political appetite to accept new risk. Full business cases, which consider legal implications and clearly articulate risk and reward, will be developed for all commercial proposals.

#### **3.4 Equality and Diversity Implications**

There are no significant implications within this category directly involved with the approval of the Commercial Strategy.

#### **3.5 Engagement and Communications Implications**

The Commercial Strategy will be communicated through different channels and to different audiences in a variety of formats.

#### **3.6 Localism and Local Member Involvement**

Members of the C&I Committee will be involved in reviewing (and often in developing) Business Cases for commercial proposals. Where there is a direct impact in a locality, Local Members will be notified according to the Council's constitution.

#### **3.7 Public Health Implications**

The Strategy is focused on creating sustainable funding for the delivery of crucial frontline services, many of which have a positive impact on Public Health priorities.

*The Commercial Strategy has been developed /cleared by the Strategic Management team:*

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Chris Malyon
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	N/A
<b>Has the impact on statutory, legal and risk implications been cleared by LGSS Law?</b>	N/A
<b>Have the equality and diversity implications been cleared?</b>	Yes Amanda Askham
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Christine Birchall
<b>Have any localism and Local Member involvement issues been cleared?</b>	Yes Amanda Askham
<b>Have any Public Health implications been cleared by Public Health?</b>	Yes Liz Robin

<b>Source Documents</b>	<b>Location</b>
Commercial Strategy 2019-2021	Attached