

How far can we commercialise public services?

Tim Richens

DD – Business Support

Our Organisational Focus



Growth &
prosperity



From Reactive to
Preventative



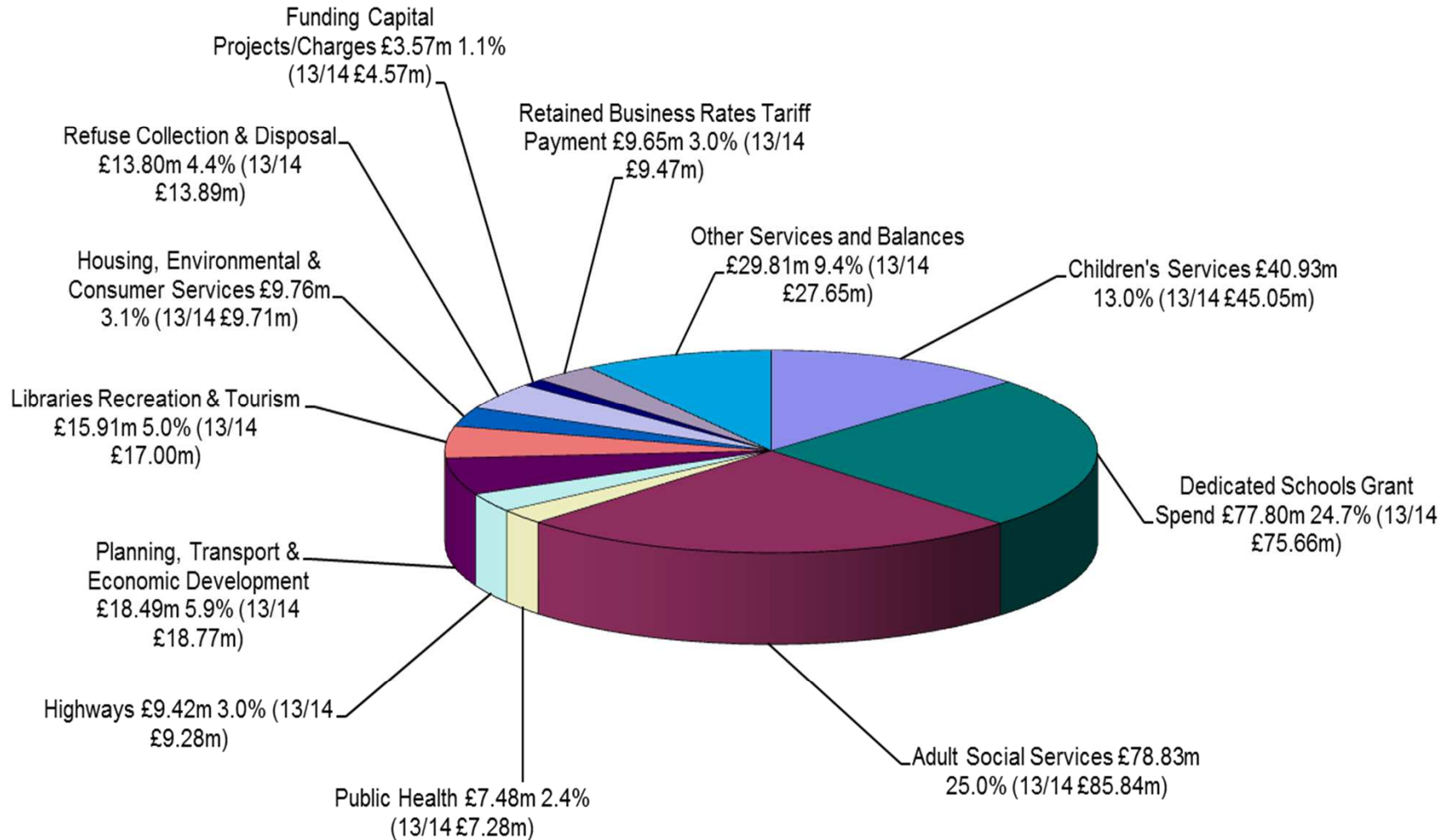
Customer and
Community Focus



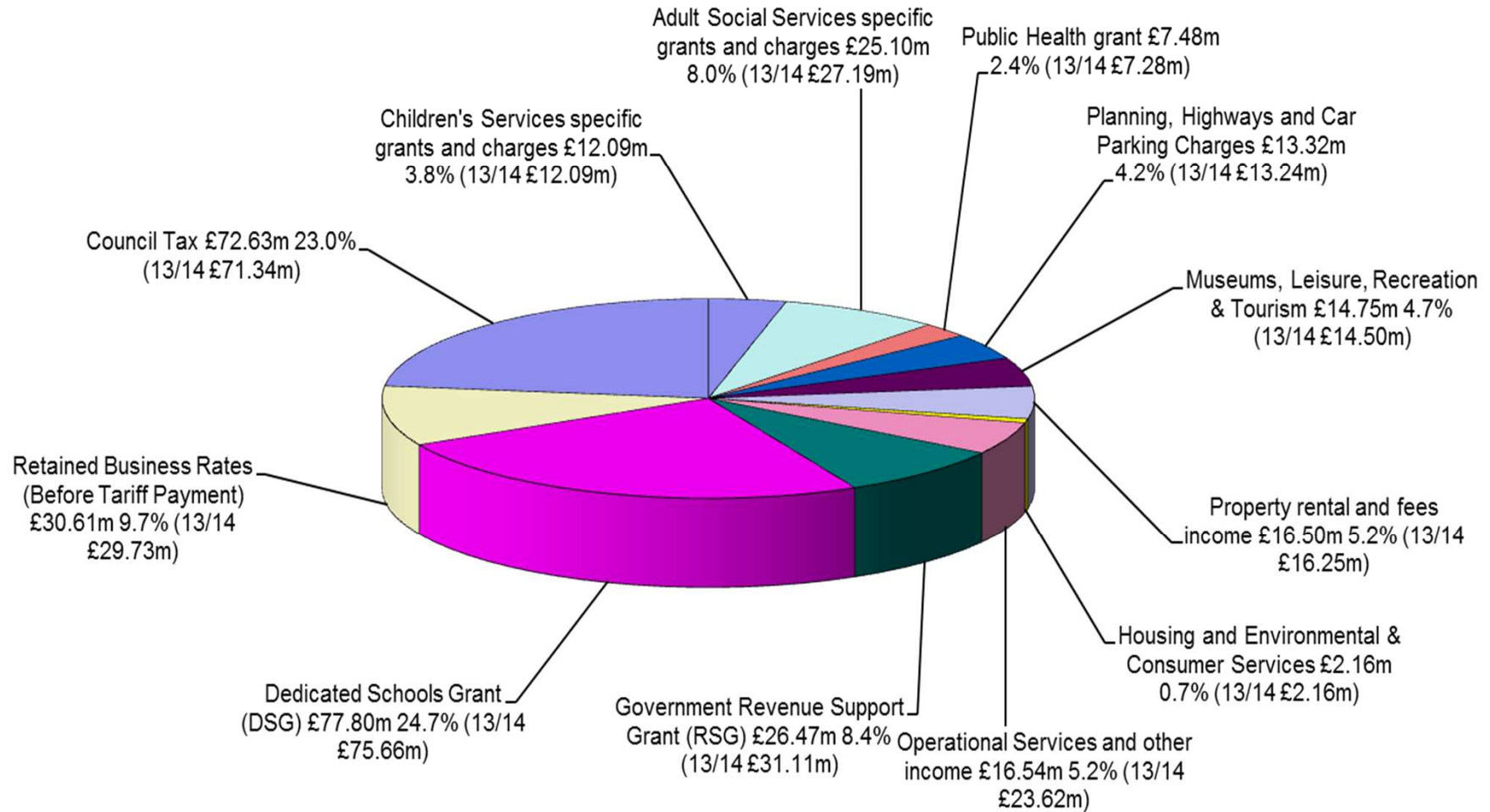
Our successful
business

Bath and North East Somerset – *The place to live, work and visit*

Where the Council spends money 2014/15 - £315.5m - gross spend before taking account of income






Where the money comes from to pay for all the services 2014/15 - £315.5m



Statutory Framework

- Many activity fees and charges governed by specific regulations e.g. planning, licensing, environmental protection, adult services etc.
- Some specific powers around Commercial Estate, Heritage, Parking, Leisure etc.
- Pre-2011 all other trading and commercial activity generally limited by Goods and Services Act – ability only to trade at “spare capacity”.
- Localism Act 2011 provided Council’s with a range of powers – General Power of Competence
- New commercial activity allowed but must be delivered via a Company or Community Benefit Society

Income 2014-2015

				
Parking Income £9.8m	Commercial Estate £15.1m	Crematorium £940k	Pre-app Planning Advice £98k	Guildhall functions £170k

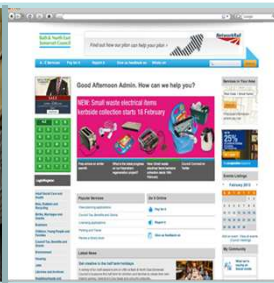
Income 2014-2015



Building
Control
£429k



New retail
units
Keynsham
(will be £240k
going
forwards)



Advertising
£106k



Council run
museums
and
galleries
£15m



Letting
office
space to
partners
£448k



Thermae
Spa £770k

West of England City Region Deal- Growth Incentive

Two separate but linked parts

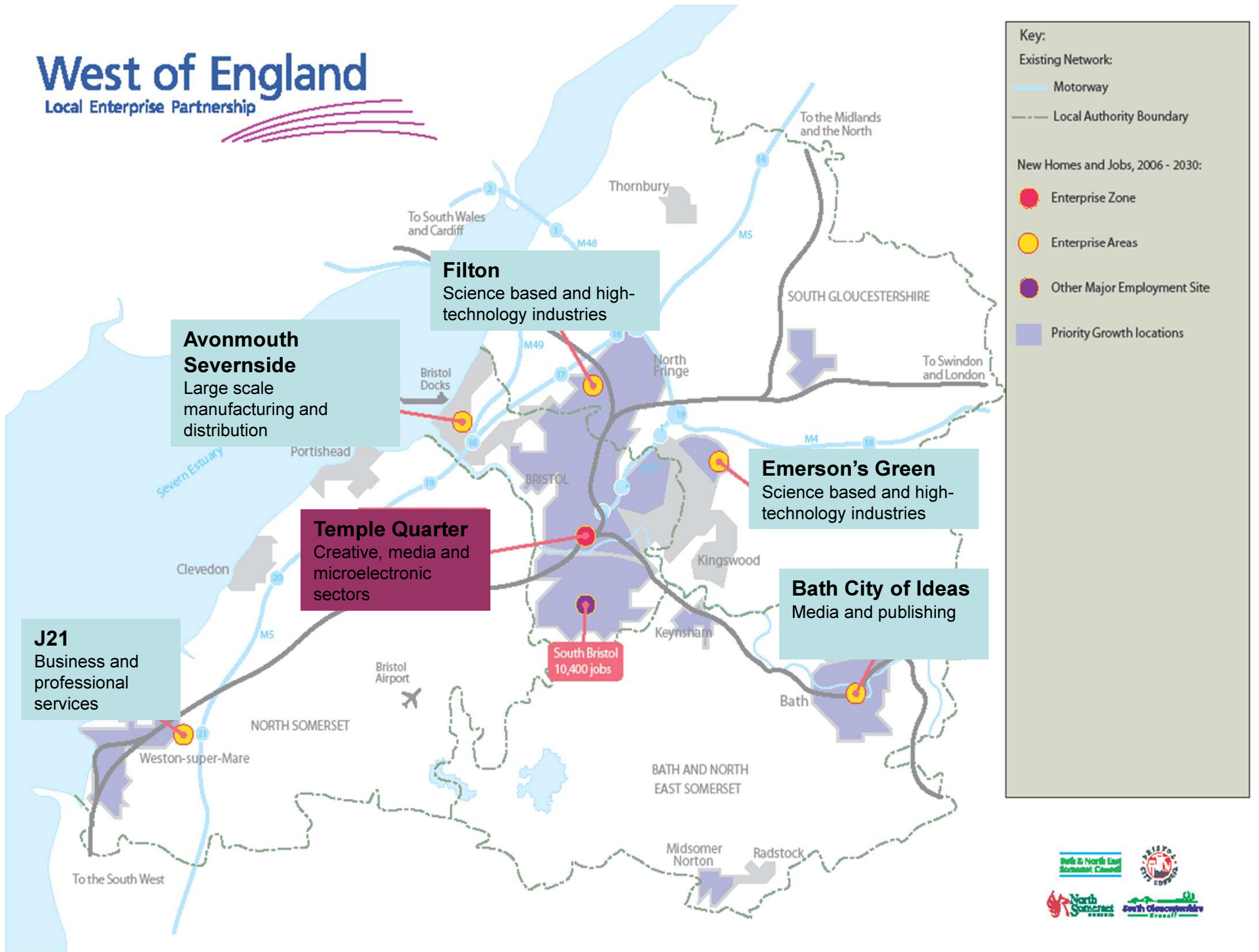
- £1.17 bn Growth Incentive Proposal – NDR Pool (4 U.A.s)
- £1 bn Economic Development Fund (LEP)

Pool distribution

- Ensuring no individual council is worse off & operating costs
- Investment in projects which promote economic growth
- Assistance with demographic pressures as a result of economic growth

West of England

Local Enterprise Partnership



Key:

Existing Network:

- Motorway
- Local Authority Boundary

New Homes and Jobs, 2006 - 2030:

- Enterprise Zone
- Enterprise Areas
- Other Major Employment Site
- Priority Growth locations

Opportunities



City street furniture
and ICT wireless
networks



Energy Company



Solar Panels on
roofs- hydro- B&W
Community Energy



Hotel development
company



Health sector
property
development



Housing
development
company



Trading Companies



Tourism related
charges – legislation



Regeneration
related development



More commercial
estate acquisitions

What we are doing

- Use of cash flow.
- Lean reviews.
- Simplifying and Standardising.
- Shared services.
- Bringing some services back in house.
- Externalising others eg leisure.
- Asset transfers.
- Training to develop commercial skills and business partnering
- Strategic Review identifying ideas and opportunities.