



# Income Generation Review Public Accounts Select Committee

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# Purpose



- To understand where we are
- To understand scope for future income generation to help with financial challenges
- Inform future strategy and action planning

# Strategic developments to date



- Income Generation Board
- Income Generation Policy
- Fees and Charges Review
- Strategic Review of Schools Traded Services

# Income generation activity underway



- Regulatory restrictions for the HRA, DSG and Capital Programme and review of treasury management
- Sundry debtors collection
- Full cost recovery for discretionary services
- Controlled parking programme
- Advertising
- Wireless concessions
- Shared services
- Property investment and development



# Public Accounts Select Committee Review



- consistent implementation of the Income Generation Strategy
- commercialisation
- engagement of and support for staff
- role analysis and best use of resources
- clarity on levels of subsidy
- learn from good practice elsewhere



# Income Generation Review

## Stage 1



- Provide a clear description or map of current income generation activities
- Develop local baselines for each service area
- Map levels of related workforce commercial skills and expertise
- Identify officer perceptions of the strengths and weaknesses of current commercial activity
- Identify any potential barriers and resistance to change for the future.



# Income Generation Review



## Stage 2

- Undertake an environmental scanning exercise of local and national policy/developments relating to income generation and commercialisation
- Identify potential opportunities and options for future income generation services
- Propose a future basis for fees and charging to maximise income whilst minimising risk to the Council
- Identify potential new models of service delivery



# Income Generating Activities In Scope



- licensing and approvals (e.g. planning approvals, entertainment licensing)
- charged for discretionary functions ( e.g. leisure services, parking, transactional services for schools)
- core/statutory services sold to new markets
- income from increased asset utilisation, rationalisation and disposal
- developments/investment activities (e.g. energy schemes, property development)
- social corporate responsibility (e.g. sponsorship and donations)





# Methodology



- Project team
- Officer engagement:
  - data and information collection
  - research interviews
  - workshops and engagement events
- Focus on culture as much as practice

# Stage 1 progress



- Analysing income by service area and cleansing data
- Concluding and building on review of fees and charges
- Testing compliance against Income Generation Strategy expectations
- Identification and review of strategies and policies that support/create the right 'environment'
- Interviews with all HOS responsible for income generation, leads of specific income generation initiatives and those HOS responsible for strategies/support services (circa 26 officers)



# Questions being asked of Office



- Knowledge and understanding of corporate policy context
- Service income generation scope, scale and value
- Perceived enablers and barriers

and if appropriate:

- Specific role of service to support and enable income generation corporately
- Current income generation review project



# Early findings



- Financial system problematic
- Variable compliance with expectations of Income Generation Strategy
- Few policies, procedures and systems that proactively support effective and efficient income generation
- Perceived lack of clarity in vision, values and policy direction (to be commercial or not?)
- 'laissez faire' culture



# Early Findings



- Some real creativity evidenced
- Some areas generating good levels of income
- Some good foundations to build on
- Openness to new ways of working
- Work already underway to address weaknesses identified as part of Schools Traded Services Review



- What are the values you would want to drive income generation behaviours?
- Should everybody be concerned with income generation or should we focus on areas with highest ROI?
- What's your appetite for risk?
- Are there any partners you would prefer to avoid?

