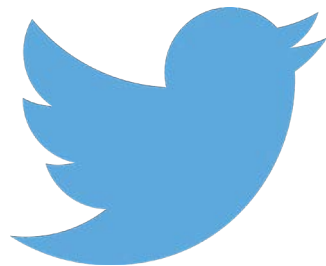




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Welcome

APSE Commercialisation Network

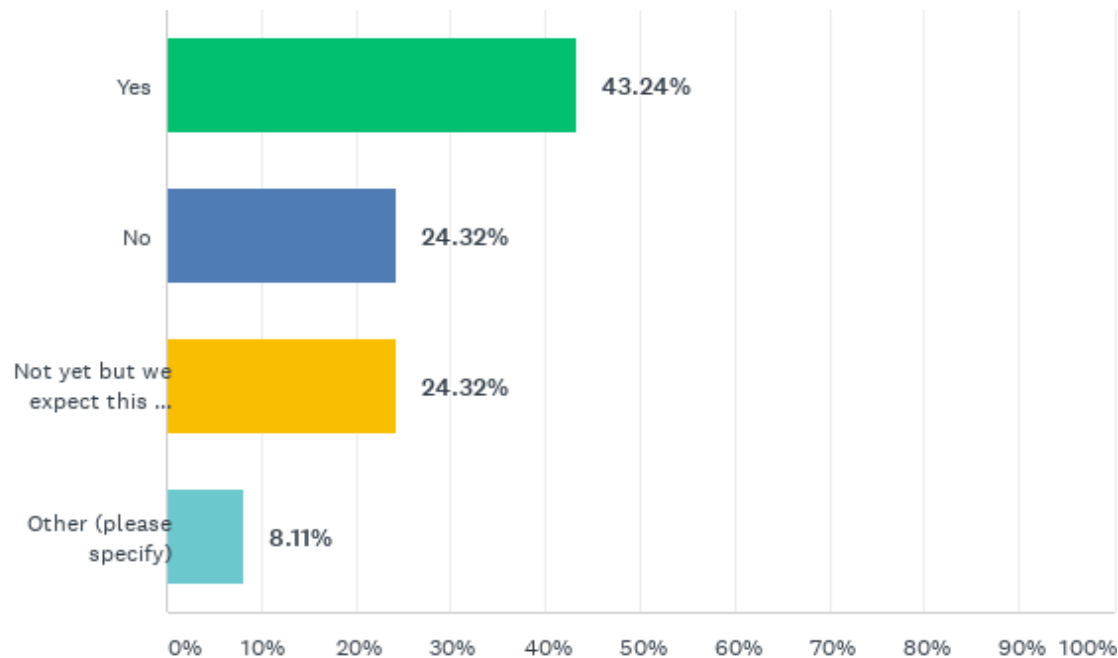
23 June 2021

Chair: Cllr Tracey Dixon, Leader of South
Tyneside Council



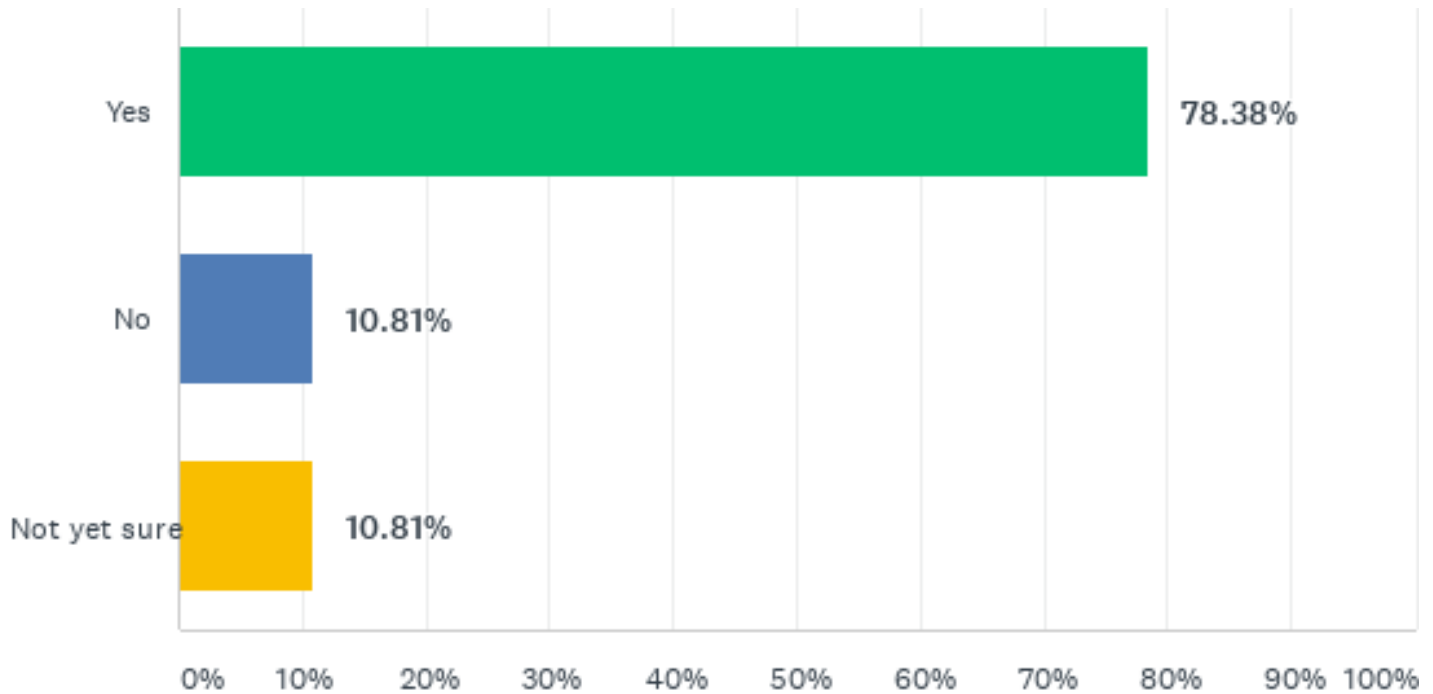
Commercialisation Strategies: Post COVID review and recovery

Has the Covid pandemic led your council or service to reconsider its approach to commercialisation?



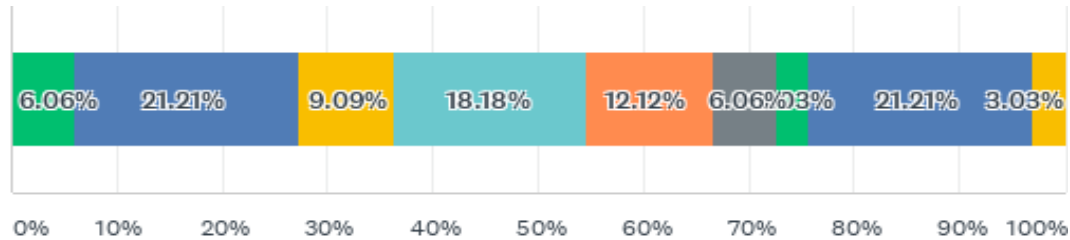


As a result of the pandemic have your commercial income targets been impacted?





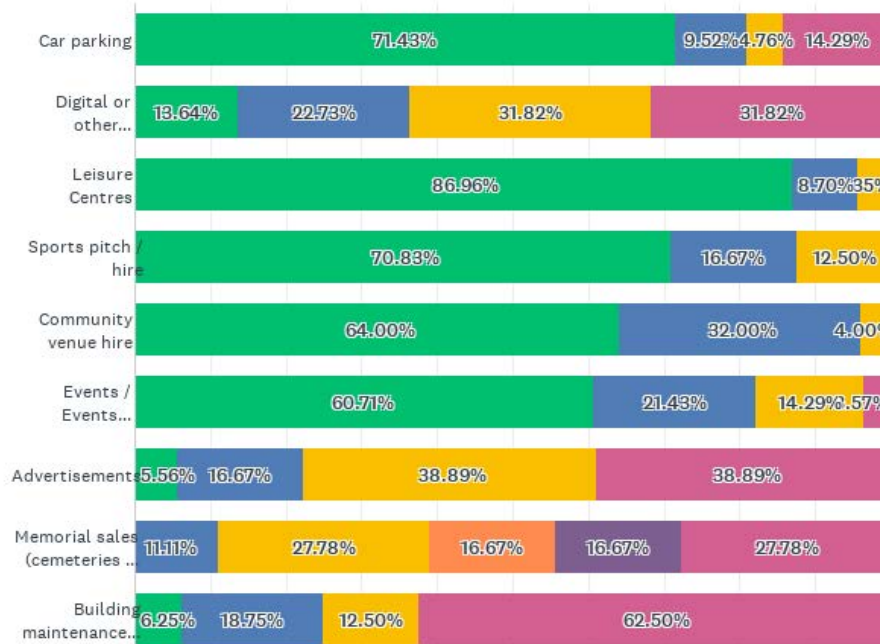
If yes to 2 above which of the following applies



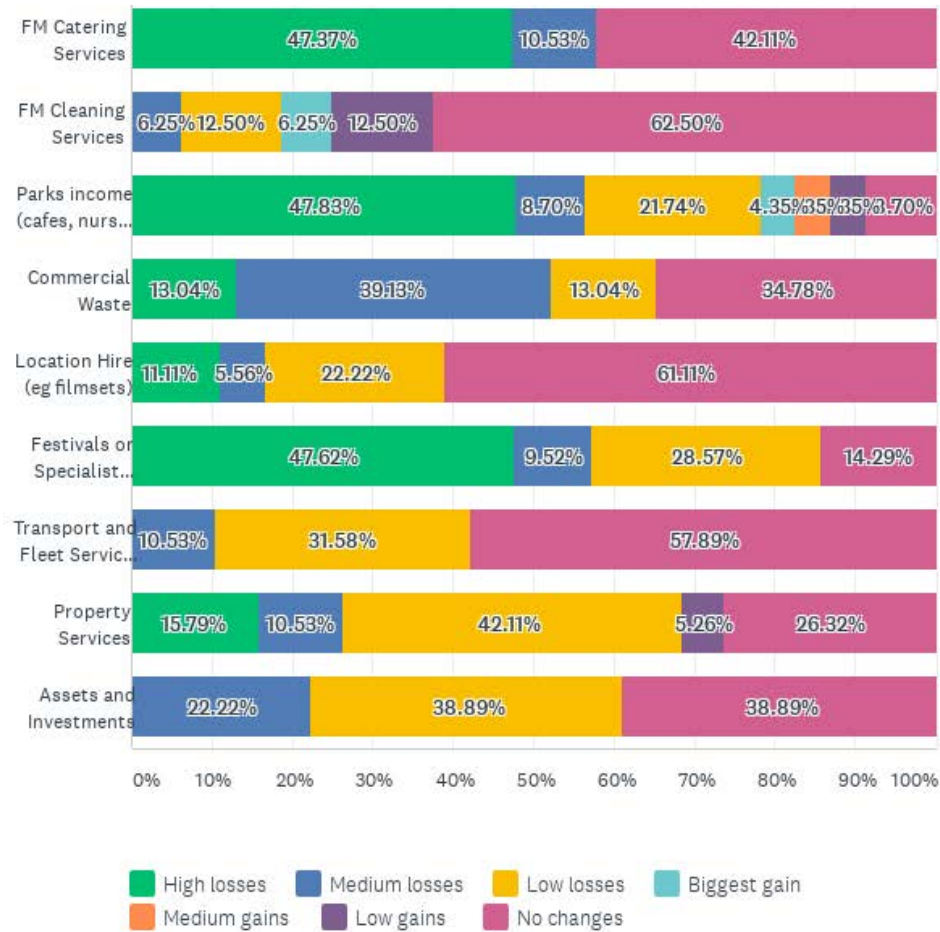
- We have lost between 80-100% of our anticipated income
- We have lost between 60-80% of our anticipated income
- We have lost between 40-60% of our anticipated income
- We have lost between 20-40% of our anticipated income
- We have lost less than 20% of our anticipated income
- We have increased our income by 80-100% of our anticipated income
- We have increased our income by 60-80% of our anticipated income
- We have increased our income by 40-60% of our anticipated income
- We have increased our income by 20-40% of our anticipated income
- We have increased our income by 20% or below
- Not applicable / no change
- Unsure
- Other (please specify)

Cumulative figures near to a third are reporting a loss of income above 60% with just under a third reporting a loss of over 40%

Q.4 Which of the following have you lost or gained the most income



Q4: Which of the following areas have lost or gained the most income



Biggest losers

- Car parks
- Leisure Centres
- Sports / Pitch hire
- Community venue hire
- Events
- Parks income / cafes / nurseries
- Festivals / special events
- FM Catering

Low gains or no change

- FM Cleaning services
- Property maintenance services
- Parks income (in between lockdowns?)
- Memorial sales

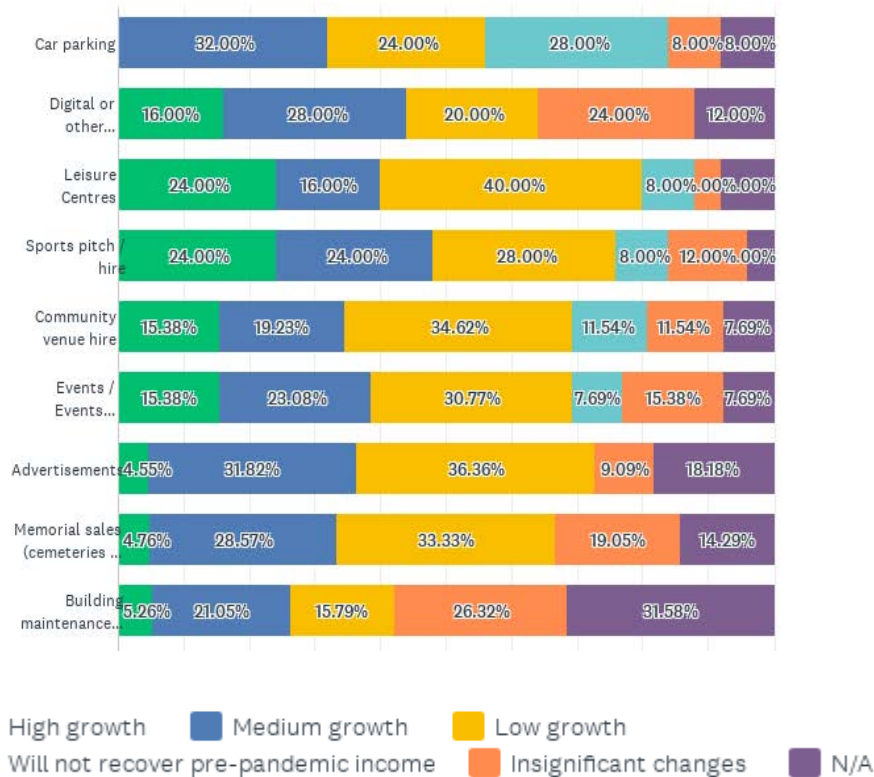


The surprises.....

- Property, assets, investments income seems to have held up well

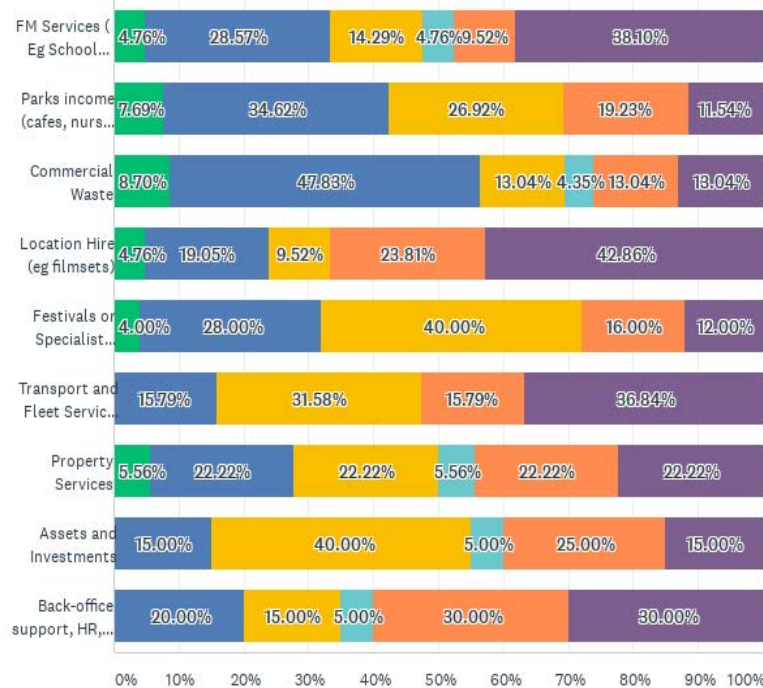


Q5: Thinking about post-COVID recovery which of the following areas do you see the most or least opportunities for income growth in the next 1-2 years based on your pre-pandemic baseline of 2019/2020?





Q5: Thinking about post-COVID recovery which of the following areas do you see the most or least opportunities for income growth in the next 1-2 years based on your pre-pandemic baseline of 2019/2020?



Growth areas in next 1-2 years post pandemic

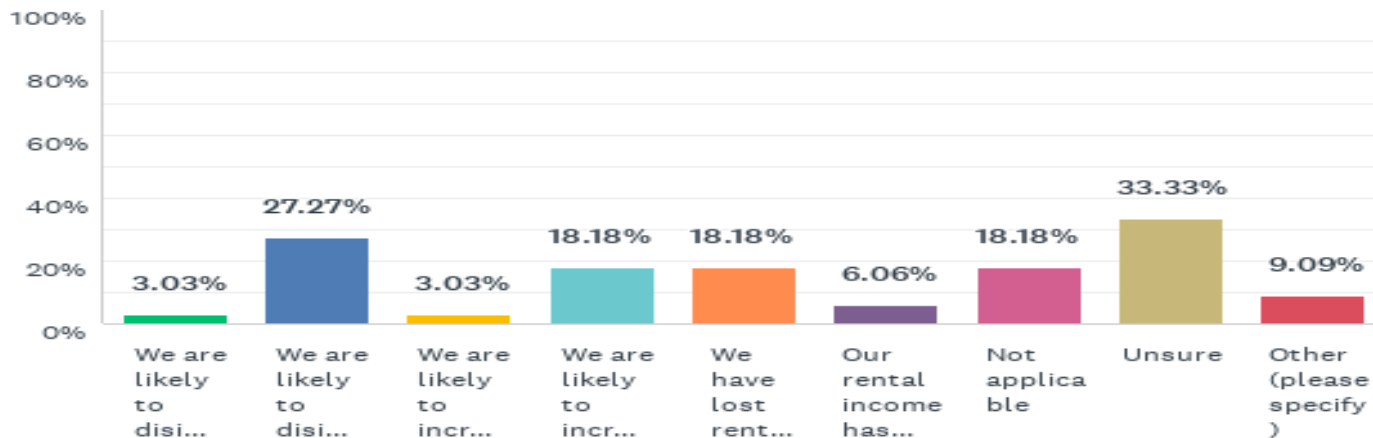
- Commercial Waste
- Advertising
- Car Parks
- Digital
- Leisure / Sports Pitches / Venue Hire



Low growth

- Back office / HR
- Digital
- Assets and investments

Q6: Thinking about property and assets has the health pandemic changed your approach? Please tick as many as apply.

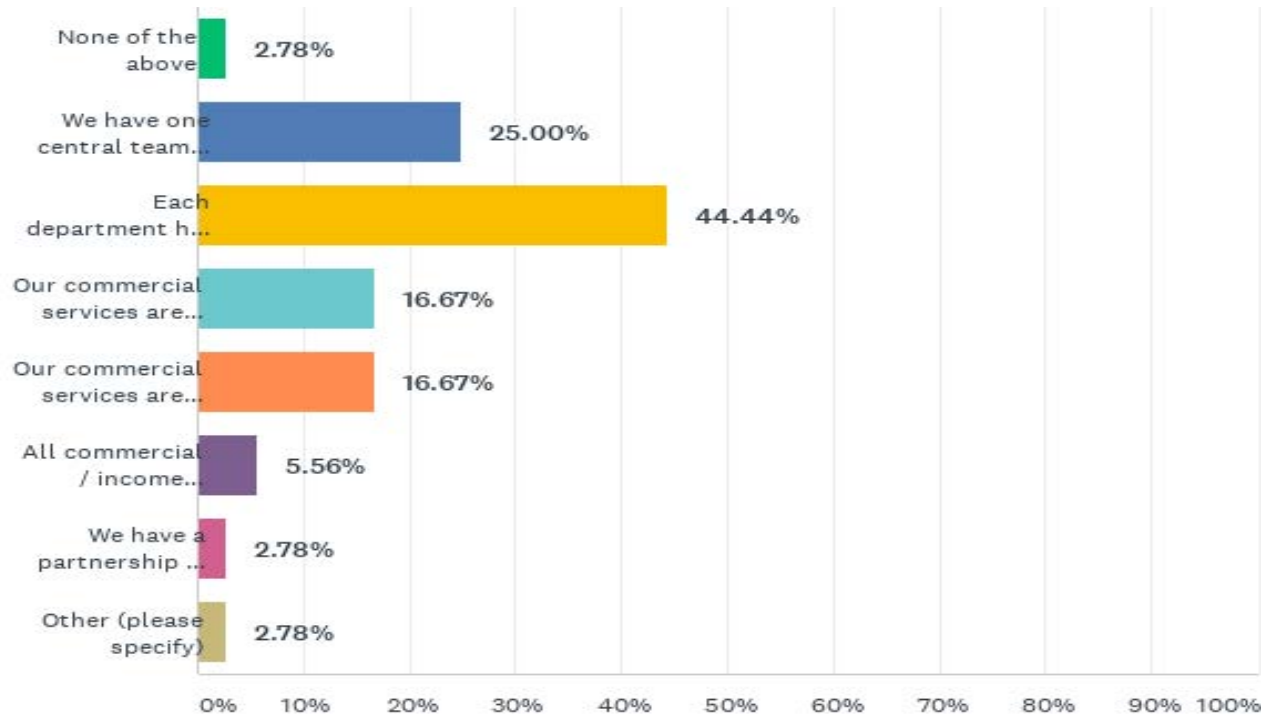


- Just under a third reporting likely to disinvest in offices / business premises
- 18% will increase investment in retail – is this a response to declining High streets?
- 18% report a loss in rental income

Social care

- 6.6% report thinking about acquiring residential care homes
- 3.3% report they may purchase nursing homes
- 6.6% thinking about how they commission domiciliary care

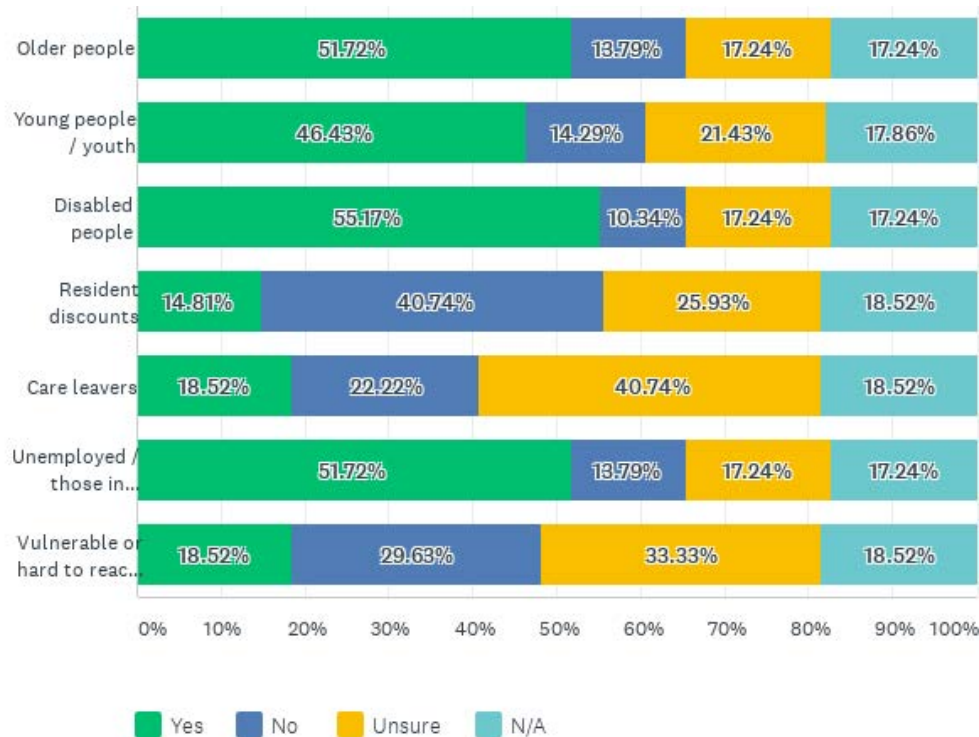
Q8: How would you describe your current model for commercialisation? In the options below by 'trading company' we mean a wholly owned council company or a Teckal type company. By Joint Venture we mean a company that is a partnership which is not wholly owned by the council.



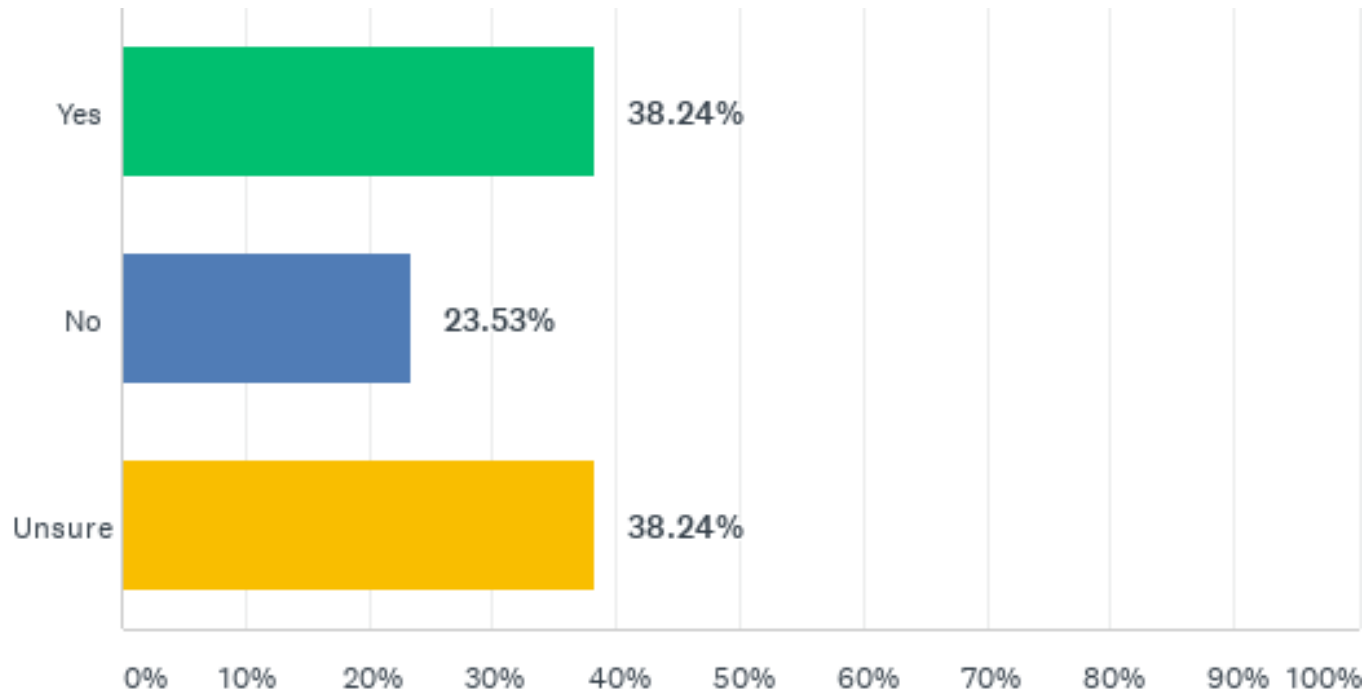
Most used models

- 45% delivered departmentally
- 25% delivered centrally
- 16% through a mix of in-house and a single trading company
- 16% through a mix of in-house and different trading companies

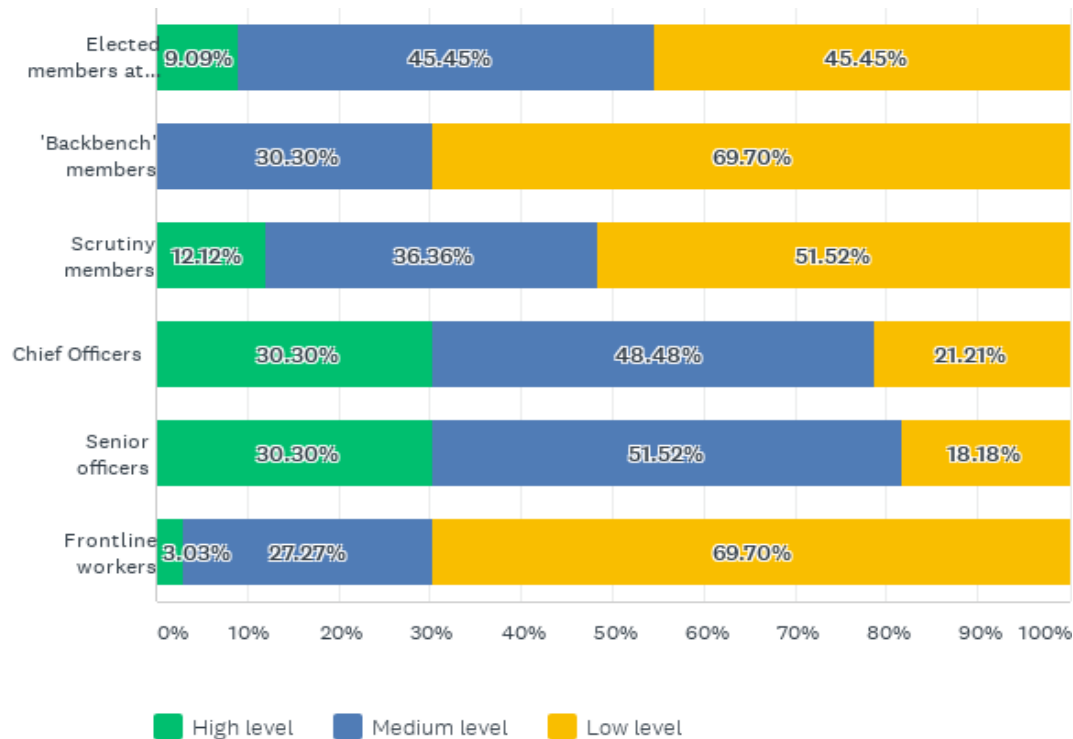
Q9: Thinking about your pricing policies do you operate some form of welfare or differential pricing options for the following groups? Please tick all that apply.



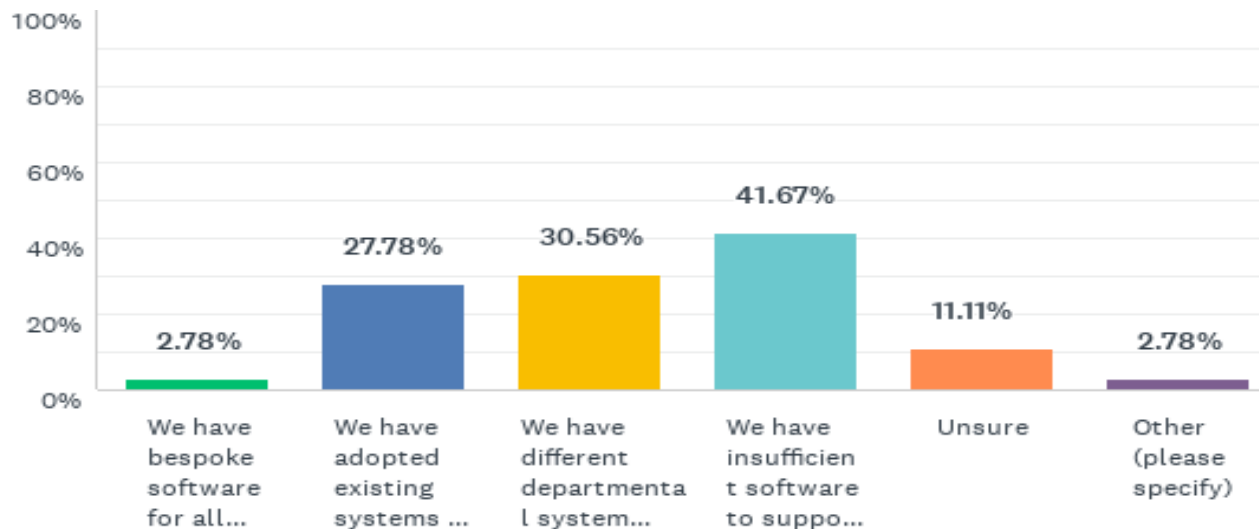
**Q10: Will your pricing policy or policies change post-pandemic?
Such as welfare pricing, removing some fees, freezing fees or
increasing fees to recover losses?**



Q11: In your opinion is there sufficient skills and knowledge about commercialisation matters in the following groups



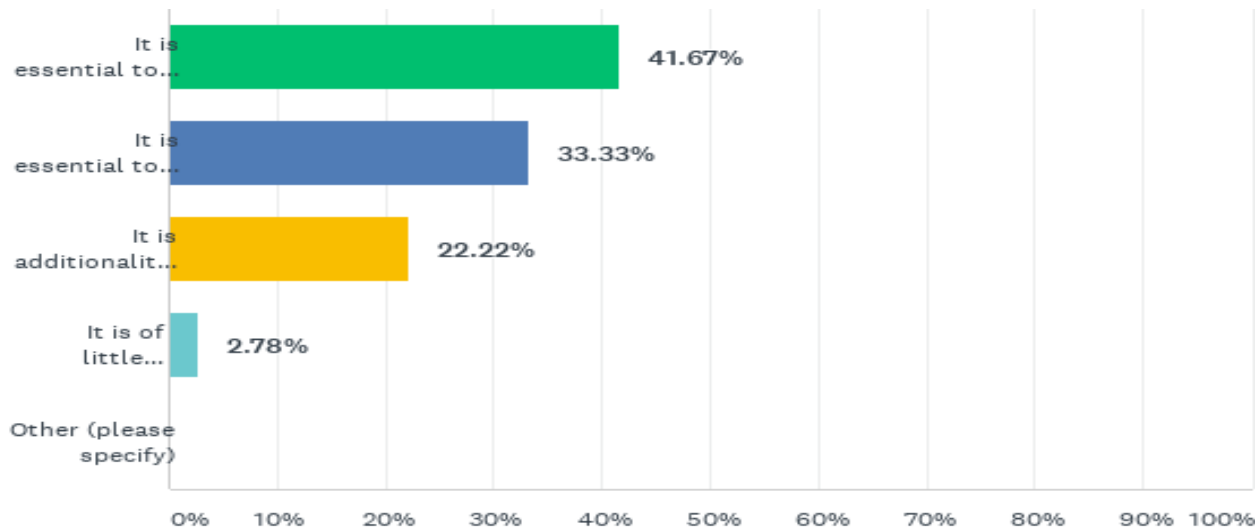
Q12: Thinking about your software systems for delivering commercial activity please tick any of the following which apply



41.6% Do not believe they have sufficient software to support a commercial environment

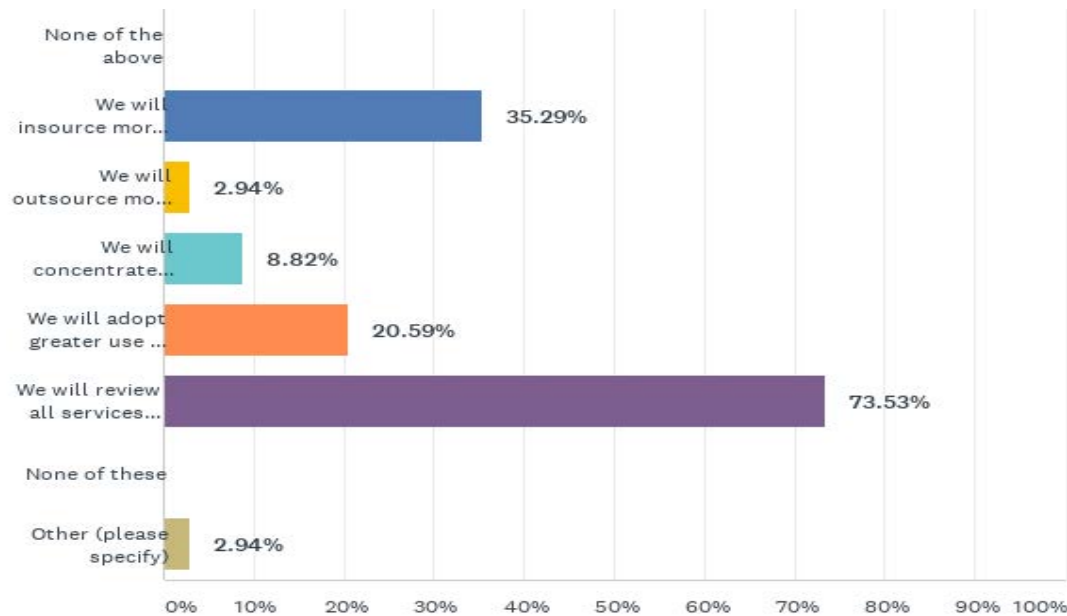
30.5% have adopted different IT systems to accommodate commercial activity

Q13: How reliant are you on income generation?



41% say income is essential to the survival of council finance
33% say it is essential to the survival of departmental finances
22% say it is additionality but helps services cope

Q14: Thinking about the pandemic impact will any of the following be part of your strategy in the coming years?



- Near to three quarters expect to review services post pandemic
- 35% say they will insource more in light of the pandemic
- Over 20% say they will adopt foundational economy / social value approaches more post pandemic

Conclusions

- A slow return to pre-pandemic levels of income
- Will a full return be possible?
- Emerging signs of doing business differently
- Still a reliance on income but is this sustainable?
- Some confidence in 'traditional' income areas of leisure, parks, cafes, events
- Car parking seen as a growth area – will this be realised as online retail continues to grow?
- Advertising increasing in standing / digital
- Will councils need / be encouraged to act as market-makers where retail is failing / high streets and town centres

Over to you!



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