



Oxford City Council's Journey to Income Generation

Presented by: Ian Bourton, Oxford City Council



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OXFORDdirectservices

Working for Oxford · Working for You

Our Journey...

Where we started:

2011 Commercial Services Offered:

- A Commercial Waste Service
- MOT Testing

....and not a lot else!

Why we needed looked to offer commercial services?

The economy continues to require austerity measures to reduce the deficit:

- Funding from central government was & continues to be reduced
- The expectation is Revenue Support Grant will reduce to zero by 2020
- This leaves a gap in the MTFP

Options for the Council:

- Reduce number or level of services
- Reduce staff
- Increase Council Tax
- Become more efficient and reduce unit costs
- Generate income by selling our services



Our Approach: Keeping it Legal

- Two primary pieces of legislation allow trading without exception
 - Local Authority (Goods and Services Act) 1970
 - Supplying Goods and Services with other public authorities
 - Local Government Act 2003
 - Charging for Discretionary Services
- Localism Act 2011
 - General Power of Competence
- Specific Legislation
 - Trade Waste, Garden Waste, Bulky Waste

Our Approach: Challenging the Council Norm: The Offering had to be built on a solid base

CEB approval of framework and delegate authority

Establishing capability to monitor web portals for tendered works

Establishing a document library and high quality tendering capability

Agreed sales and marketing strategy

Communications with staff and trades unions mobilisation

Production of detailed sales plans

Mobilisation of the management team and agreed initial trading plan

Agreed management structure and roles to support the approach

Assigned responsibilities and new job specifications

The design and production of marketing brochures

Obtaining transformation funding to employ a sales professional

Design and Agree branding

Agree internal processes responsibilities (e.g. pricing and quoting)

Analysis of cost base by service team and establishing a pricing policy

Designing and building a commercial website

Our Journey, Challenging the Council Norm:

- Employ a Sales Professional
 - Commission
- Sales Planning and Sales Strategy
 - Finance and Legal Departments on board
 - Sales talk
 - Targets
- Systems
 - Sales CRM – Intelligence
 - Work/Job Systems
 - Orders and Invoicing
 - P&L
- Commercial Branding
 - Website
 - Call Centres
 - Marketing Material
 - Strap Line
 - Advertising



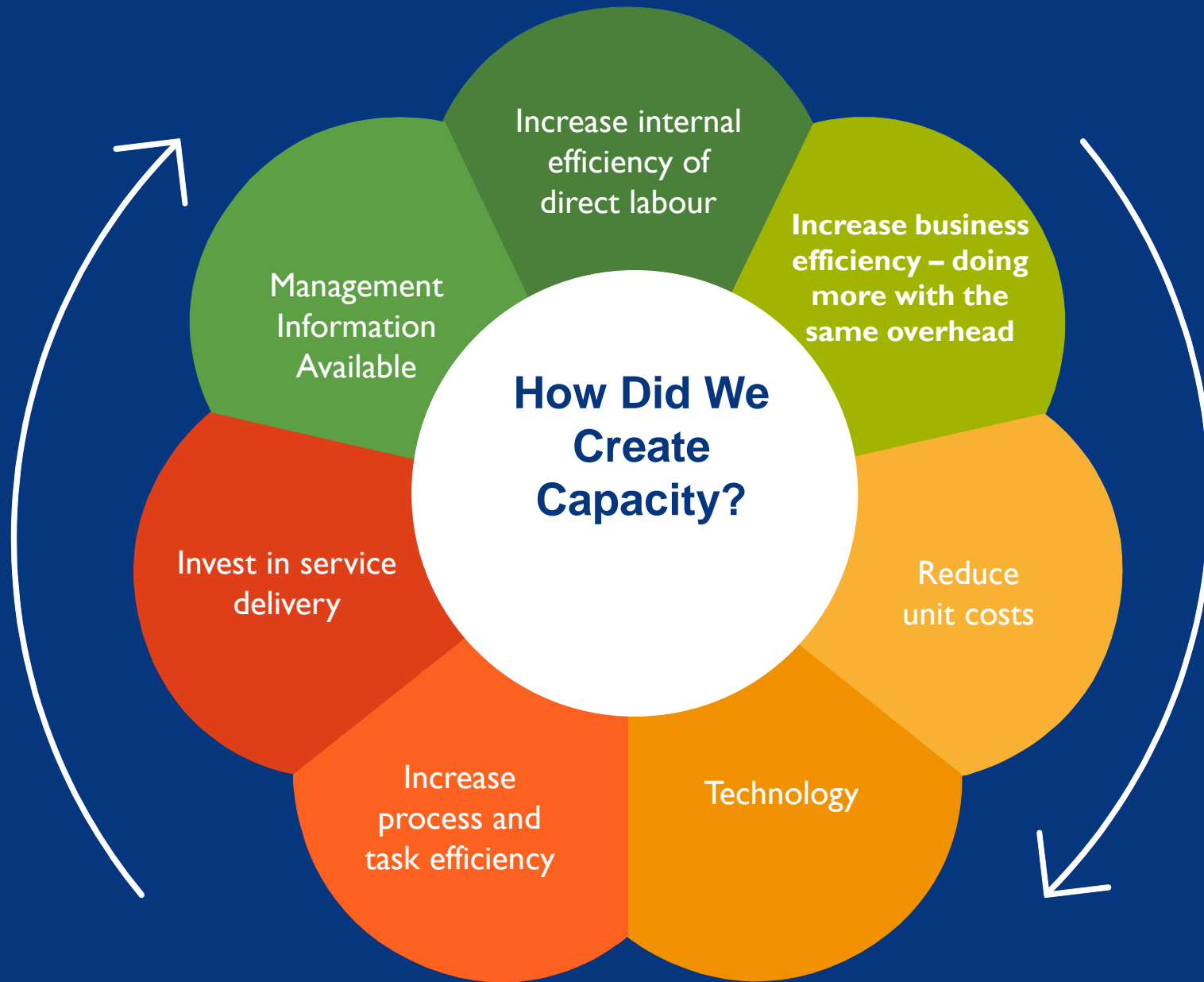
Oxford direct services.mp4

What do Oxford Direct Services sell and to whom?

Commercial Services Matrix

CUSTOMER TYPE	 Commercial Waste	 Building Maintenance	 Parks & Grounds	 Streetscene	 Pest Control	 Motor Transport	 Civil Engineering
Local Businesses	✓	✓	✓	✓	✓	✓	✓
Council Tenants	N/A	Limited	N/A	N/A	✓	✓	✓
Leaseholders	N/A	Limited	N/A	Limited	✓	✓	✓
Private Residents	N/A	Limited	✓	✓	✓	✓	✓
Landlords & Letting Agents	✓	✓	✓	✓	✓	✓	✓
Charities & Local Authorities	✓	✓	✓	✓	✓	✓	✓
Schools, Colleges & Universities	✓	✓	✓	✓	✓	✓	✓
Councils & Housing Associations	✓	✓	✓	✓	✓	✓	✓

Our favoured approach is selling B2B



The virtuous circle supports continued growth and jobs

Our Journey – Oxford's USP's

- VFM Services; Competitive Pricing
- Skilled and experienced local workforce (90% of our staff live within 15 miles of Oxford)
- Environmentally friendly – we are committed to carbon reduction and environmental sustainability
- One Stop Shop – all encompassing services from a single provider
- Easy to deal with
- Local and trusted organisation
- Established reputation of value for money and impartiality
- Staff/Partnership Discounts
- NOT-FOR-PROFIT organisation investing in Oxford



Our Journey, Our Ethos to Success:

- Building off what we already do well
- Competency
- Compliant
- Drive efficiency
- Our niches in the market
- Build capacity
- Strong sense of why
- Organisation prepared to take risks
- Work hard at One Council
- Time to get it right
- Proved privatisation does not have to be the answer
- Becoming more entrepreneurial for a social purpose



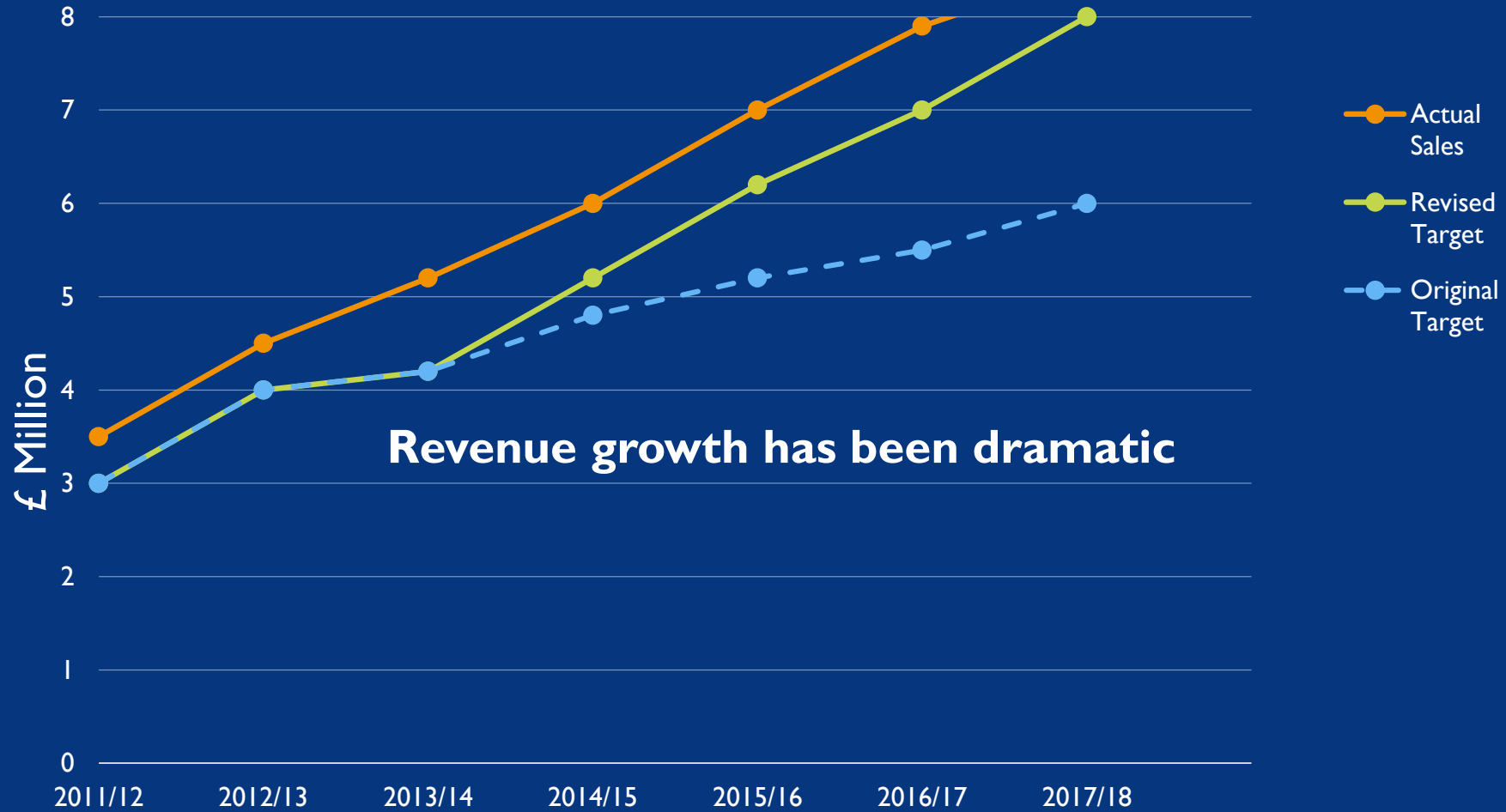
Our Journey, Specifically Waste and Technology:

- Route Optimisation
- Bin Weigh
 - Identify good/bad customers
 - Threshold Charging
- Telematics
 - Real Time Communications
 - Track and Trace
 - Additional Lifts
 - Driver Behaviours
- CCTV
 - Evidence and cost avoidance
- Back Office System
 - Fundamental to Success
 - Management Reports
 - Invoicing



Impact

Commercial Revenue



External income represented 25% of all Oxford Direct Services income in 2017/18

Impact: What's in it for those who live, visit or work in Oxford?

A vibrant economy:

- Providing more for our communities
- More local employment
- Multiplier effect – we are often our customers' customer

Sustained high quality services:

- Continuous improvement of services from commercial pressure
- Continuous validation of value for money
- Pressure to maintain high quality customer service



Impact: Spin-off benefits:

- Wider range of more interesting work for staff
- Lower carbon foot print
- Ability to respond to extreme events: floods, snow.....



...and we are still delivering our domestic services effectively with
Quality People:



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