



Wales Seminar 2017

Wednesday 28 June 2017
Metropole Hotel, Llandrindod Wells

When Dragons Collaborate

Looking at the mutual benefits for local authorities of working together



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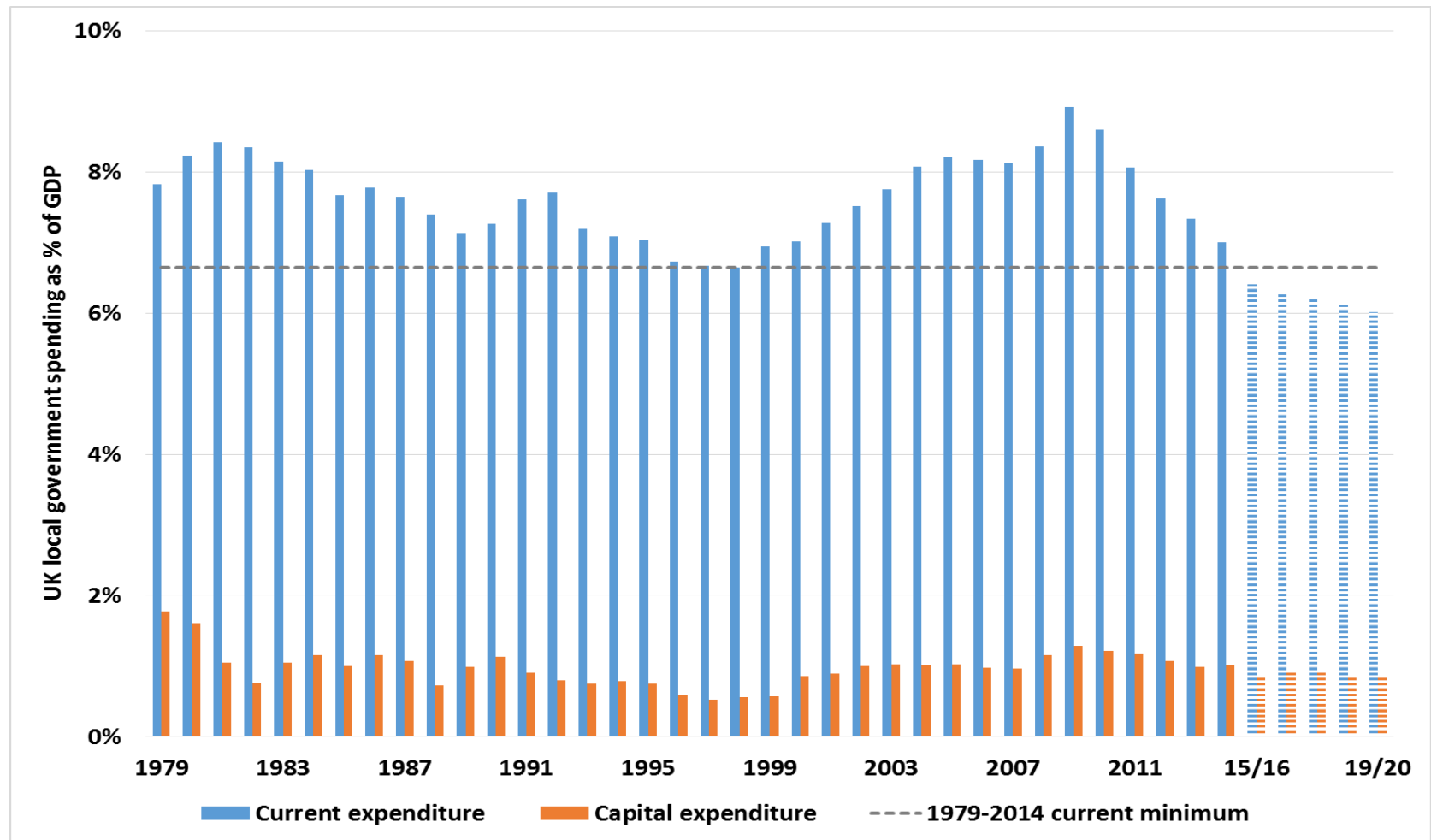


Workshop

Collaboration & Income Generation

**Rob Bailey
Principal Advisor**

UK local government spending as a share of GDP: current spending, already below the 1979-2014 minimum, is projected to go on falling to 2020





What about Wales?

- A fall of £156m
- A shortfall of up to £900m by 2018
- As high as £1.3 billion
- Business rates?
- Council Tax?

Council tax in Wales



- Average band D council tax for Wales for 2017-18 is £1,420. This includes £1,162 for county councils, £227 for police and £32 for community councils. .
- County council increases in band D council tax for 2017-18 average £35 or 3.1% over the previous year. Police increases average £10 or 4.8%. These increases combine to produce an average band D rise of £46 or 3.3%



Why Collaborate?

- What are the main challenges in your service area?
- Collaboration
 - Benefits / Challenges
- Income Generation
 - Benefits / Challenges



Why Collaborate?

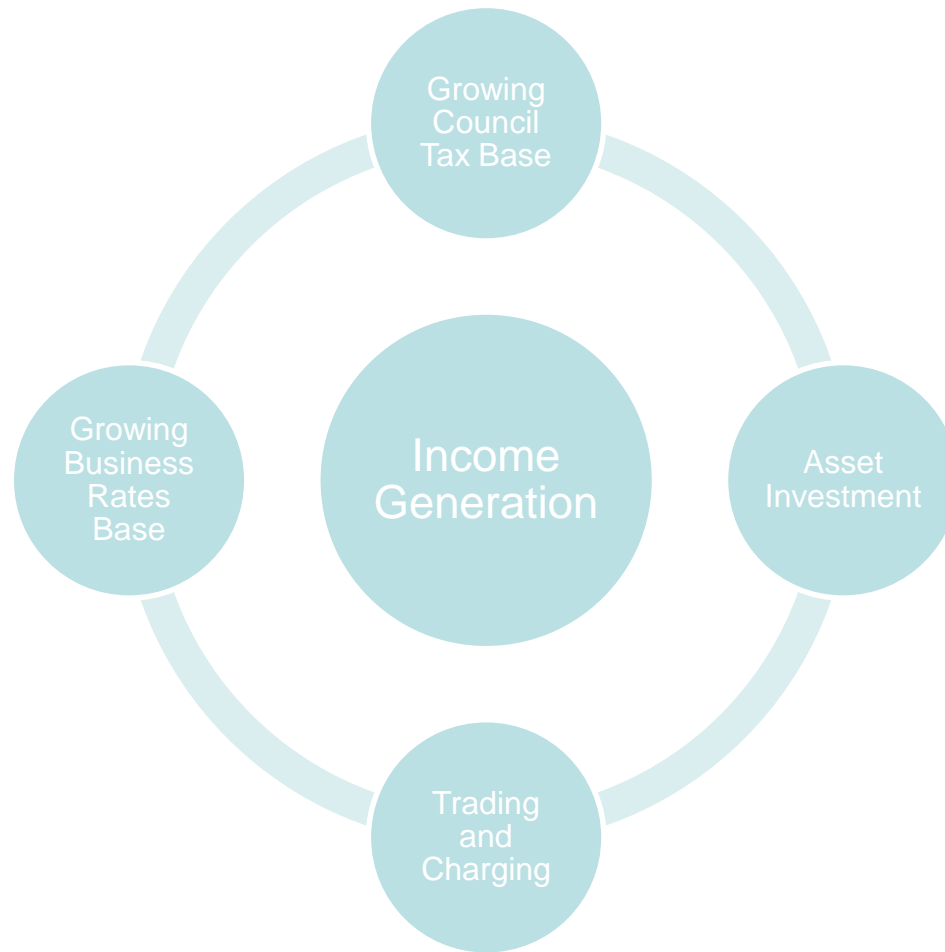
- Staff
 - Shortages, cost, specialism, career-path, sickness & absence cover
- Resources
 - Portable - equipment, fleet, capacity
 - Fixed – depots, contact centres



Shared Services

- Legal Services – EM LawShare
- Single workforce – Bromsgrove & Redditch
- Worcestershire Hub
- Edsential - Cheshire West & Wirral
- Environmental Health - Sevenoaks & Dartford
- Environmental Services – Tayside contracts

Commercialisation Strategy



Income generation



80% intend to increase fees & charges over next 2-3 years

- Sports pitch lettings (91%)
- Allotments (70%)
- Festivals/concerts/ev events (68%)
- Cafes in parks (66%)
- Bowling greens (64%)
- Ice cream vans/mobile caterers (60%)
- Fairgrounds (58%)
- Renting buildings and land (49%)
- Sponsorship (43%)
- Tennis courts (42%)
- Boot camps (32%)
- Mini golf (28%)
- Golf course green fees (26%)
- Sale of land (26%)

56% indicated that they have income generation schemes

- Selling recycling materials (97%)
- Renewable energy (9%)
- Anaerobic digester (6%)
- Solid fuel recovery (3%)

43% answered that they have income generation schemes

- Property clearance
- Private sector cleansing
- Cleansing for developers
- Sponsorship & advertising
- Events e.g. sporting events
- Care of garden charging
- Other in-house sections e.g. parks
- Services to parish councils
- Other public services e.g. NHS

50% currently sell their services outside of the local authority and over 20% considering it as an option

- Taxi testing (53%)
- MOT services (60%)
- Commercial body shop facility (11%)
- Authorised testing facility for VOSA testing (19%)
- Driver training (72%)
- CPC approved training provider (26%)



Power of General Competence

- Introduced in England under the s1.1 Localism Act 2011
- Reverses presumption that any decision is unlawful unless expressly permitted
- Local Government Act 1972 allows LA's to 'anything that calculated to facilitate, or is conducive or incidental to, the discharge of their functions'
- May be exercised in the UK or abroad, not necessarily for the benefit of the LA or its area
- For commercial purpose or otherwise, for charge or no charge
- Can't be used to circumvent earlier restrictions
- Requires a company if for commercial purposes.



Transport

- Repair Contracts:
- Public bodies:
 - Other local authorities
 - Police
 - Fire
 - Probation service vehicles
 - School minibuses
 - 'Dial-a-ride' type charitable transport
- Private:
 - Locally based contracts for highways and lighting
 - Passenger transport vehicles
 - Haulage
 - Vehicle and plant hire/leasing companies
 - Warranty work for vehicle manufacturers e.g. Dennis Eagle, Johnston Sweepers, Terberg, National Breakdown companies
 - Local fleets for national companies in remote areas
 - Statutory Taxi testing



Pembrokeshire

- Pembrokeshire Coast National Park Authority – Vehicle Maintenance.
- The Probation Service – Vehicle Maintenance.
- BT Fleet including The AA – Vehicle Maintenance.
- Dyfed Powys Police – Diesel Fuel from bunkered storage.
- Doctors on call – Diesel Fuel from bunkered storage.
- Hywel Dda University Health Board – Diesel Fuel from bunkered storage.
- The Blind Society – Vehicle Maintenance.
- Withybush General Hospital and Pembrokeshire Hospitals – Vehicle Maintenance, Diesel and replacement vehicles.
- All hired vehicles serviced in house.
- Pre MOT Brake and headlight tests for local LGV operators.
- Haverfordwest Community Council – Vehicle Maintenance.
- Class 4 and Class 7 MOT tests for the general public.
- Taxi Testing for Pembrokeshire Taxis.



KMBC Partnership Working – External Customer Base

- Vehicle and Operator Services Agency - VOSA
- 5 Year lease agreement for office area, workshop and car parking
- Significant investment by VOSA in developing the office and workshop facility
- Initial on-site roadside checks using KMBC depot and weighbridge
- Ongoing negotiations on possible night time rental of KMBC LGV test lane and vehicle maintenance SLA



VOSA On-Site Vehicle Inspections





Premises & Equipment:

- Subleasing excess office accommodation
- Secure compound with security included.
 - Typically minimum of £500 per year to house a storage container. Paid usage of a stacker truck and handling equipment.
- Contract Parking
- Equipment:
 - Public weighbridge / Vehicle Washes
 - MOT Testing:
 - Management Services:

Threats to Parks Funding



- Already seeing significant cuts/losses to parks and greenspace budgets.
- Newcastle-upon-Tyne has lost 91% of parks funding.
- Areas of deprivation experiencing 'additional' losses.
- Government funding will be severely reduced by 2020.
- Greater reliance on council tax and business rates.
- Phrases such as '*tipping point*' is now becoming commonplace.
- Need to consider alternative sources of funding and management models to ensure future sustainability of parks and greenspaces.
- Growing emphasis being placed on importance of greenspaces to public health and wellbeing as well as value of ecosystem services/biodiversity.





Income Generation in Parks and Greenspaces





Prosperous Parks

- Concessions
- Direct commercial activities
- Agricultural income
- Renewable energy
- Asset realisation
- Rents
- Statutory environmental funding
- Ecosystems services
- Biodiversity offsetting

Nottingham City Council



- The Park's and Open Spaces Team is responsible for 136 parks and gardens and generates 50% of its annual budget from commercial income. Colwick Country Park Marina, Nottingham in Bloom sponsorship, issuing fishing licences, hosting events, Pitch and Putt, Boating and sports facilities. All of these activities are provided '**in-house**' rather than contracting with external organisations to supply these.
- Uses **external contractors** to deliver car parking for football matches and its on site cafés and mobile catering.
- New or upgraded catering facilities have often been accompanied by improved playground and leisure facilities.
- Flexible approach to managing its crown green bowling greens. Given bowls clubs the keys to the greens so that they can use the facilities whenever they want, and has a simple charging system of an annual season ticket for members.
- Nottingham in Bloom generates income from sponsorship of traffic islands, parks and competitions.
- Income generation is linked to the quality of the facilities available. Facilities need to be a higher standard to attract visitors and to warrant charging for them.



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Income from Waste



- Reducing frequency of residual waste collections.
- 'Slim your bin' - reduced capacity of residual waste bins.

Swansea

- Restricting amounts of residual waste which can be disposed of at HWR Centres.
- Prohibiting recyclable materials being placed into residual waste skips.
- Recycling HWR Centres only.
- On-site re-use shops.
- 80% reduction in residual waste tonnages (2500 tonnes) led to £250,000 savings in first 3 months!



But remember

- Determine clear objectives at the start
- Define how performance will be determined
- Review the collaboration regularly
- Have an exit strategy
- Ensure political support / leadership