



Trading and Charging: An ever increasing necessity!

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What it isn't!



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What it isn't

- Not about public sector managers becoming '*Trotters ind. trading company*'
- Not about competing with private companies or expanding into areas beyond core remit
- Not about trying to do different things badly
- Should not cost money to council tax / rate payers and the public purse

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What it may be....?



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What it may be.....



- Innovative ideas
- New business challenges
- Income generation and maximise use of resources
- 'Squeezing juice'
- Best value and continuous improvement
- Developing opportunities across boundaries both public and private

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Legal limitations



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England



- In addition to much older powers....
- Local Government Act 2003
- Sections 93 : Charging power
- Section 94: Trading power – through a company

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Wales



- A mirror image to those that apply within English Authorities.
- Charging powers are not subject to any form of performance categorisation as the power is conferred
- Trading power through a company route but.....
- Recent guidance

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Differences between a trading company route and using a charging approach



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Scotland



- Local authorities can provide services for other public bodies and charge them for this without restriction.
- They can charge for discretionary services
- Local authorities can trade with community partners and the private sector up to certain thresholds *(although these thresholds remain to be set.)*
- Charging is effectively rolled into provisions contained with the Trading provisions within Scotland.

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Northern Ireland



- No specific provisions but.....
- Northern Ireland authorities can rely upon specific powers to charge in specific areas including the Local Authorities (Goods and Services) Act 1970
- Subject to much more restrictive and narrower powers to trade and charge for services.
- Subsequent amendments to Local Authorities (Goods and Services) Act 1970 generally do not apply in Northern Ireland.
- Northern Ireland councils must identify a power available to them before undertaking trading and charging activity.

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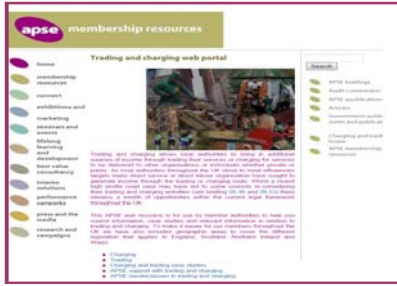
Good practice....



- **Transport** - disabled passenger vehicle adaptations
- A large city council in Scotland has been providing a **photographic identity card service** to a number of bodies for over a year.
- **Building cleaning** - One authority undertakes building cleaning to organisations who "rent" office or workshop space from the council. They also carry our cleaning services to Housing Associations.
- **Catering** - One authority operates a central production unit and sells Halal meat to other authorities and bodies
- Trading companies - **Solutions SK** - wholly owned Stockport Council company
- **Norfolk Property Services** - wide reaching trading on services across the UK

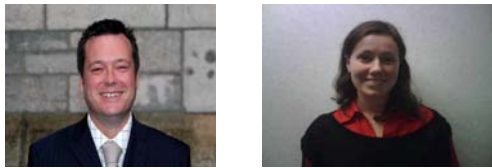
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Trading and charging web portal



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Thinking about it ...



Use these people.....!

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Not these people!

Beware of consultants in bow ties!

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