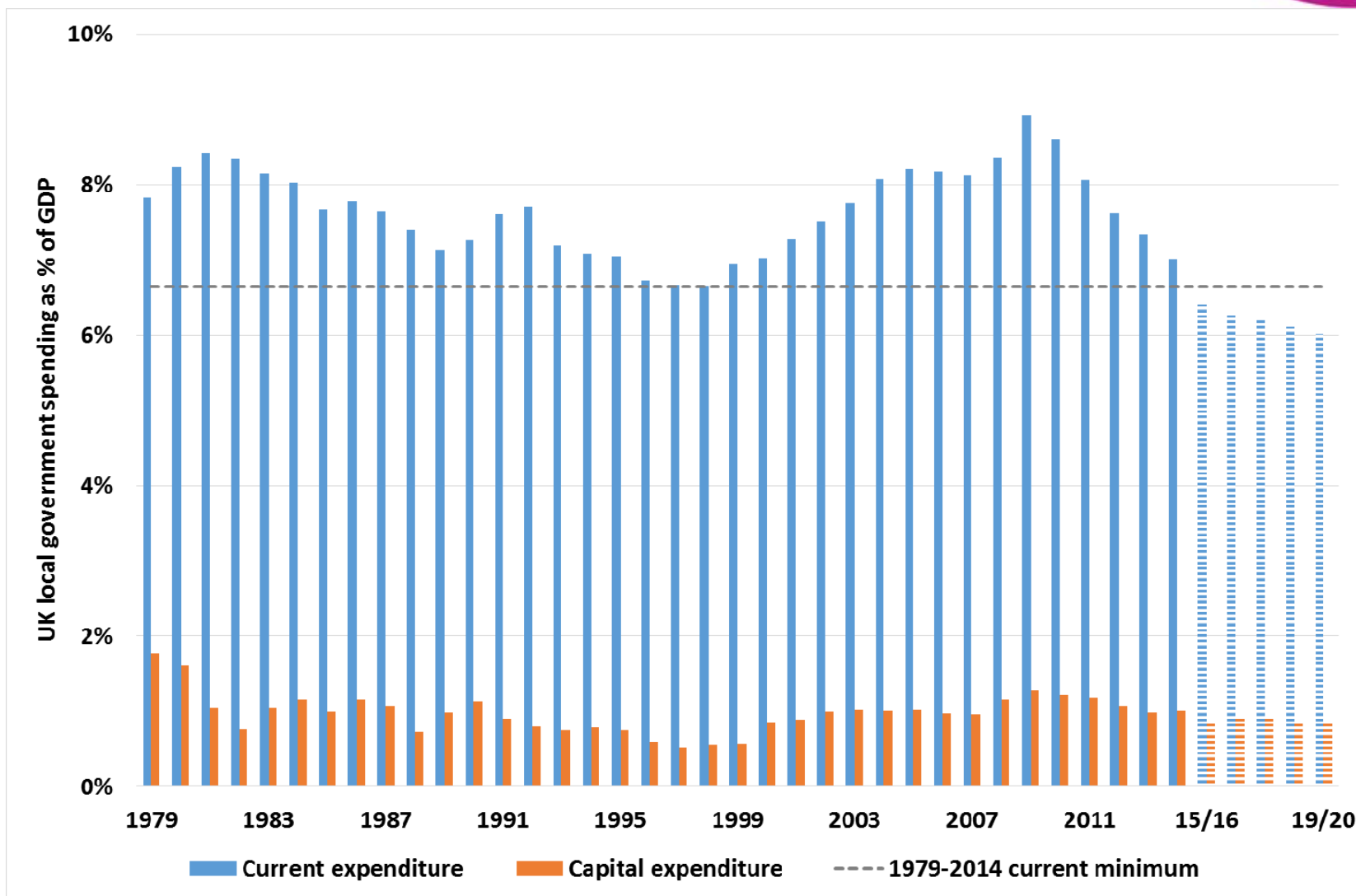




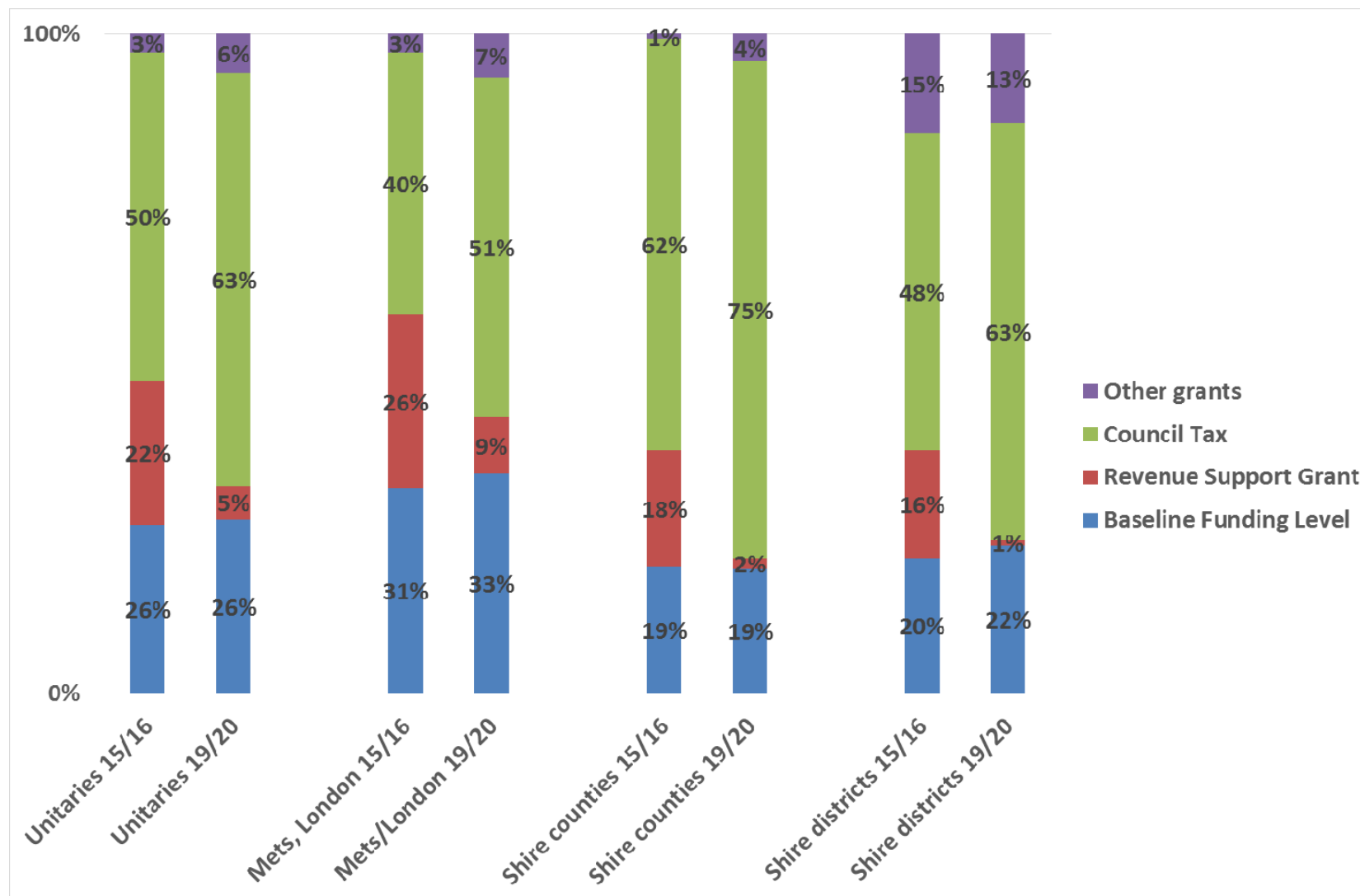
# **A strategy for income generation**

Paul O'Brien,  
Chief Executive, APSE

**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**



# Balance of core spending power 15/16 and 19/20: as RSG shrivels beyond London and the Mets, most LA funding will come from council tax



# GRANT SETTLEMENT IN SCOTLAND



85% comes from Scottish Government

24% real term decrease 2010/11 to 2014/15

3.5% decrease 2016/17

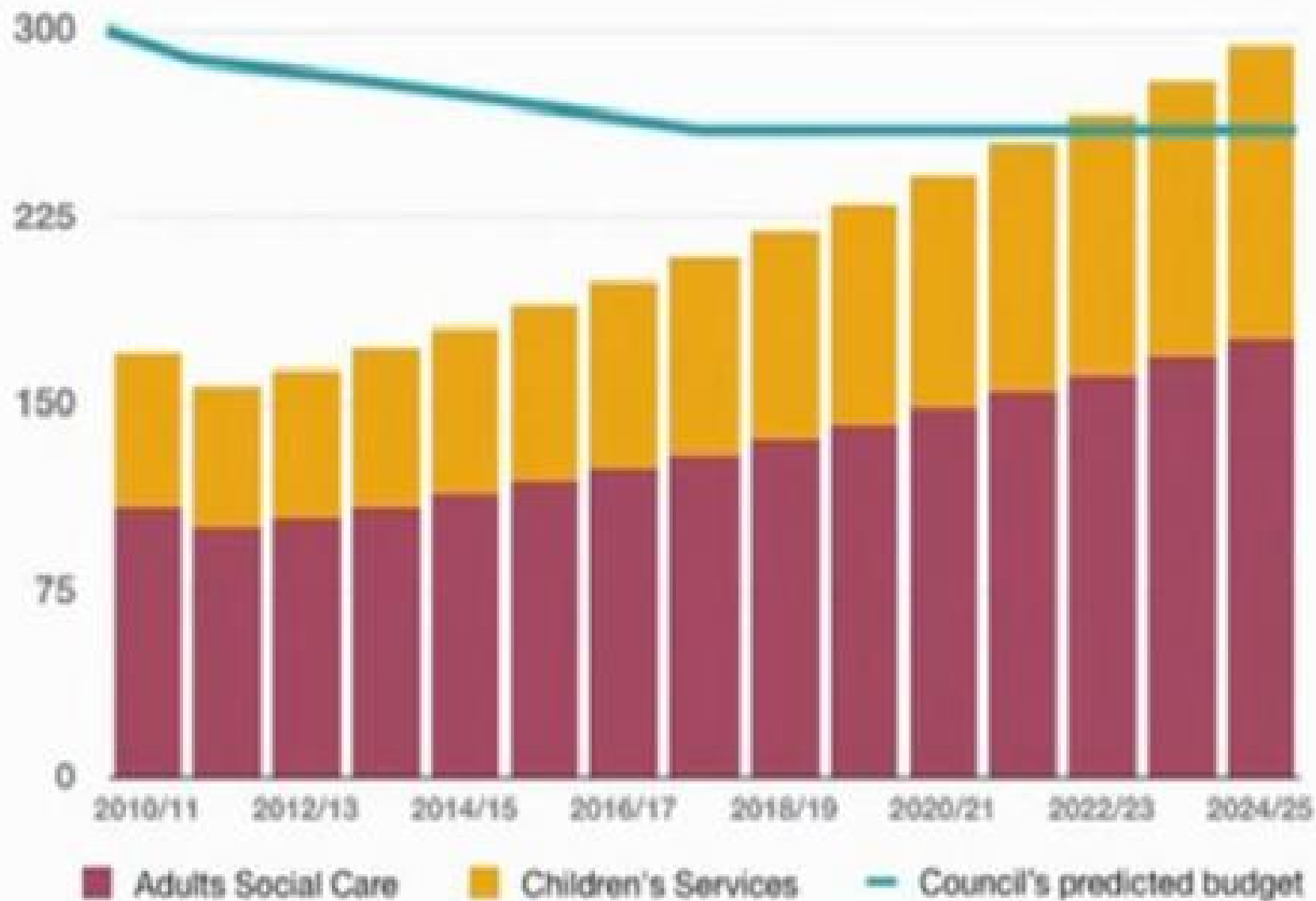
£500m - £350m + £150m

9<sup>th</sup> year of council tax freeze

Localisation of business rates

£2B further cuts to public services by 2020?

# The 'Graph of Doom'

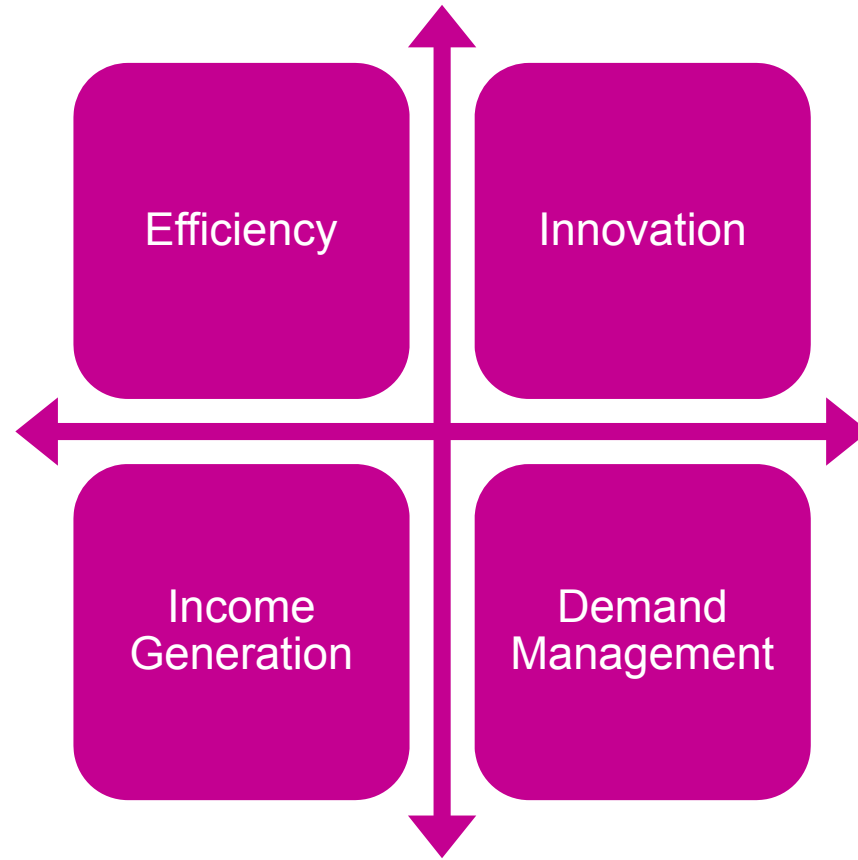




# What will local government look like in 2020?

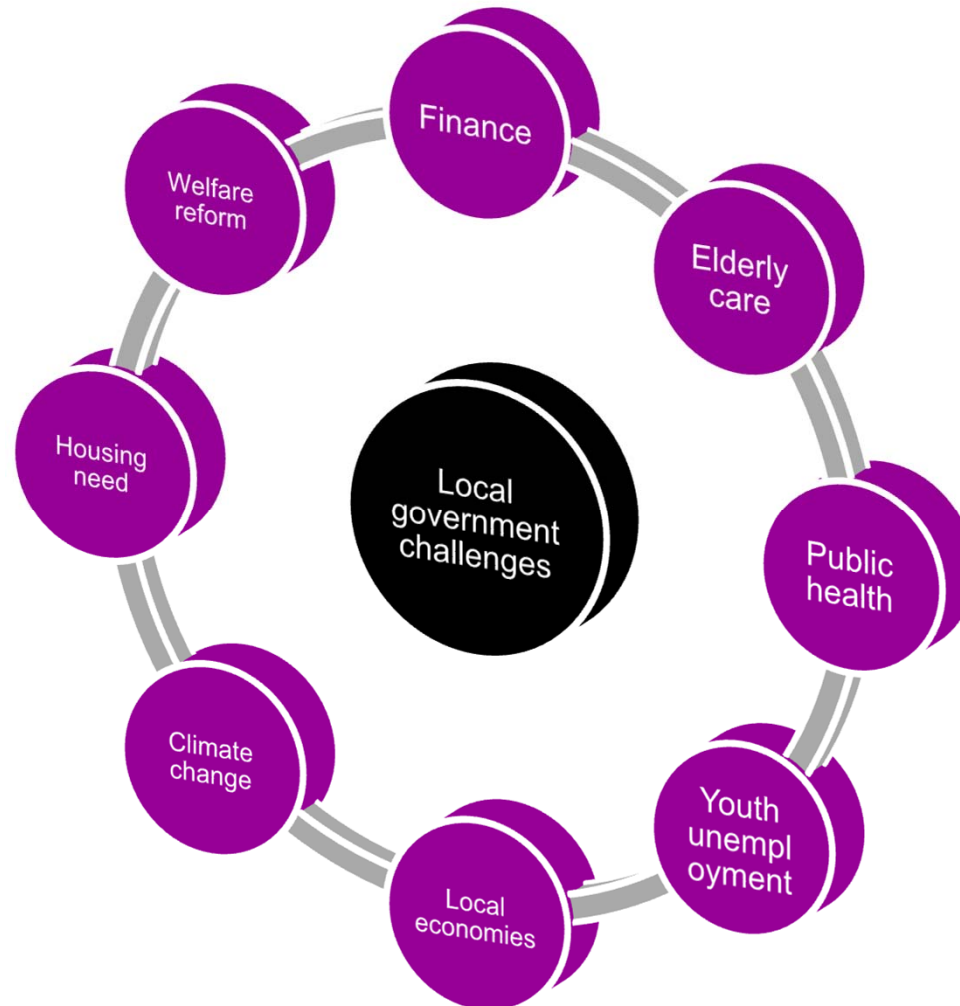


# The pillars of excellence





# Public policy challenges



# Income generation



# Income generation



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

- Sports pitch lettings (91%)
- Allotments (70%)
- Festivals/concerts/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



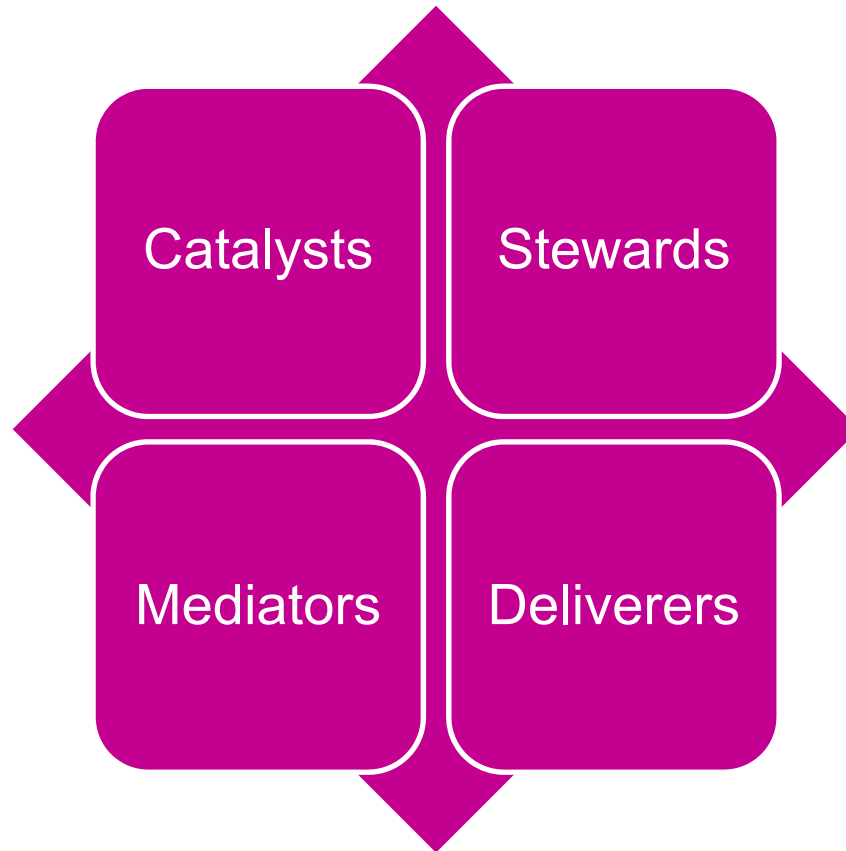
50% currently sell their services outside of the local authority and over 20% considering it as an option

- 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%)

# Municipal entrepreneurship



# Who are the public entrepreneurs and innovators?



# Innovation



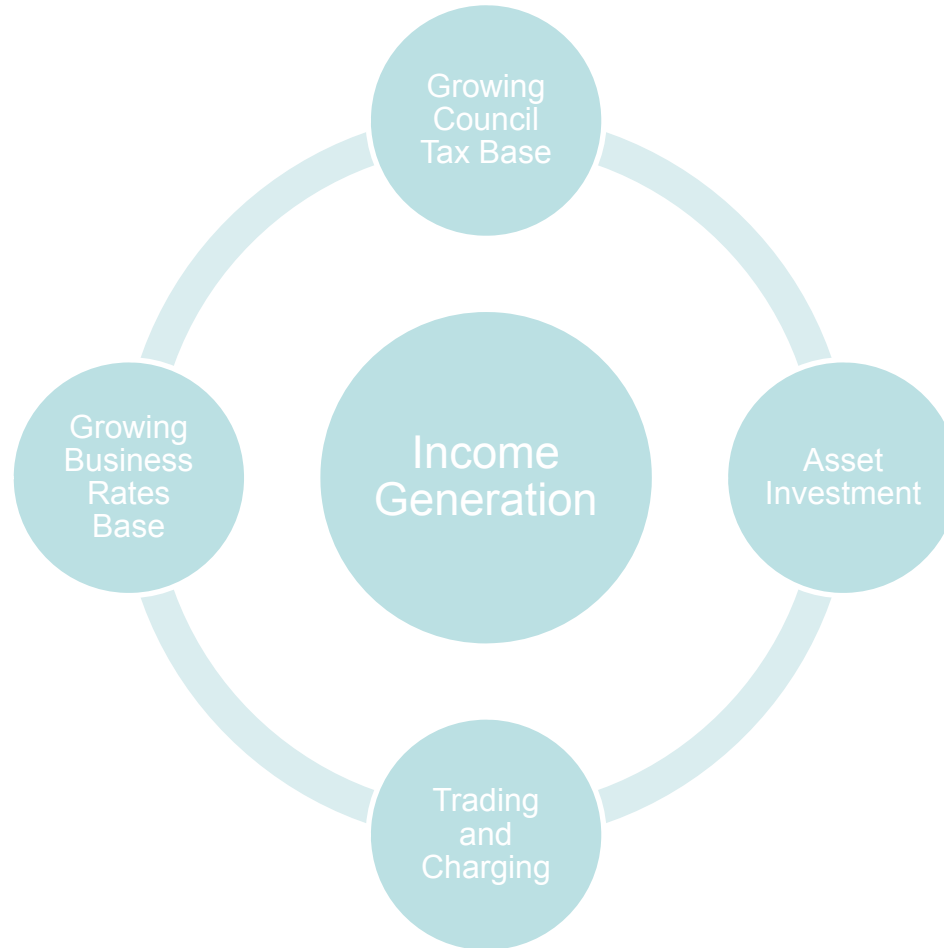
**apse**

**Innovation on the frontline:**  
How engagement with the local government workforce can improve service delivery in austere times

An illustration on a light green background. At the top, a white thought cloud contains a glowing yellow lightbulb with radiating lines. Below the cloud, a series of white circles of varying sizes leads down to a row of eight stylized human figures. Each figure has a colored head (yellow, green, pink, blue, yellow, green, pink, blue) and a horizontal line for a body.



# Commercialisation Strategy

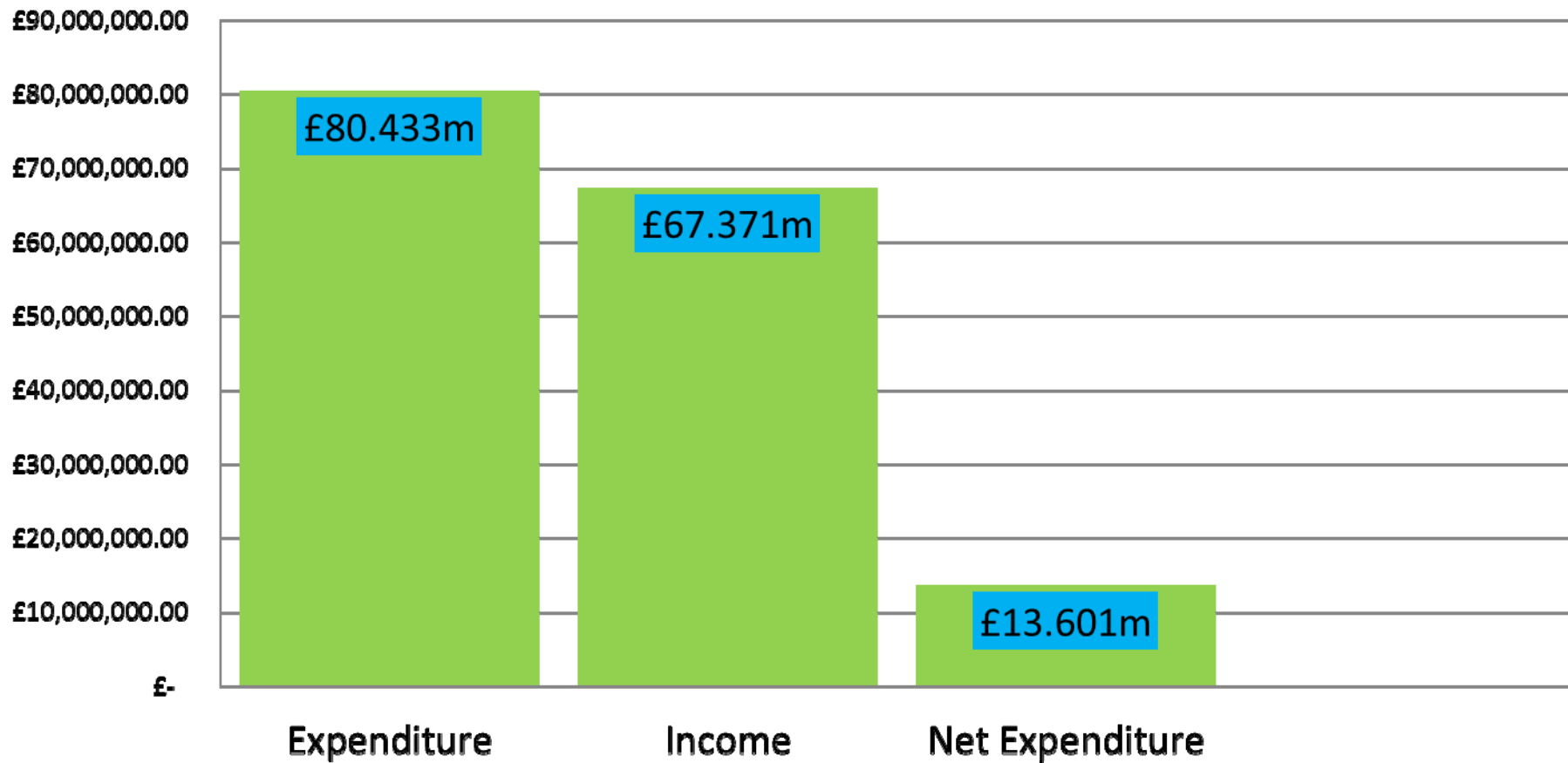




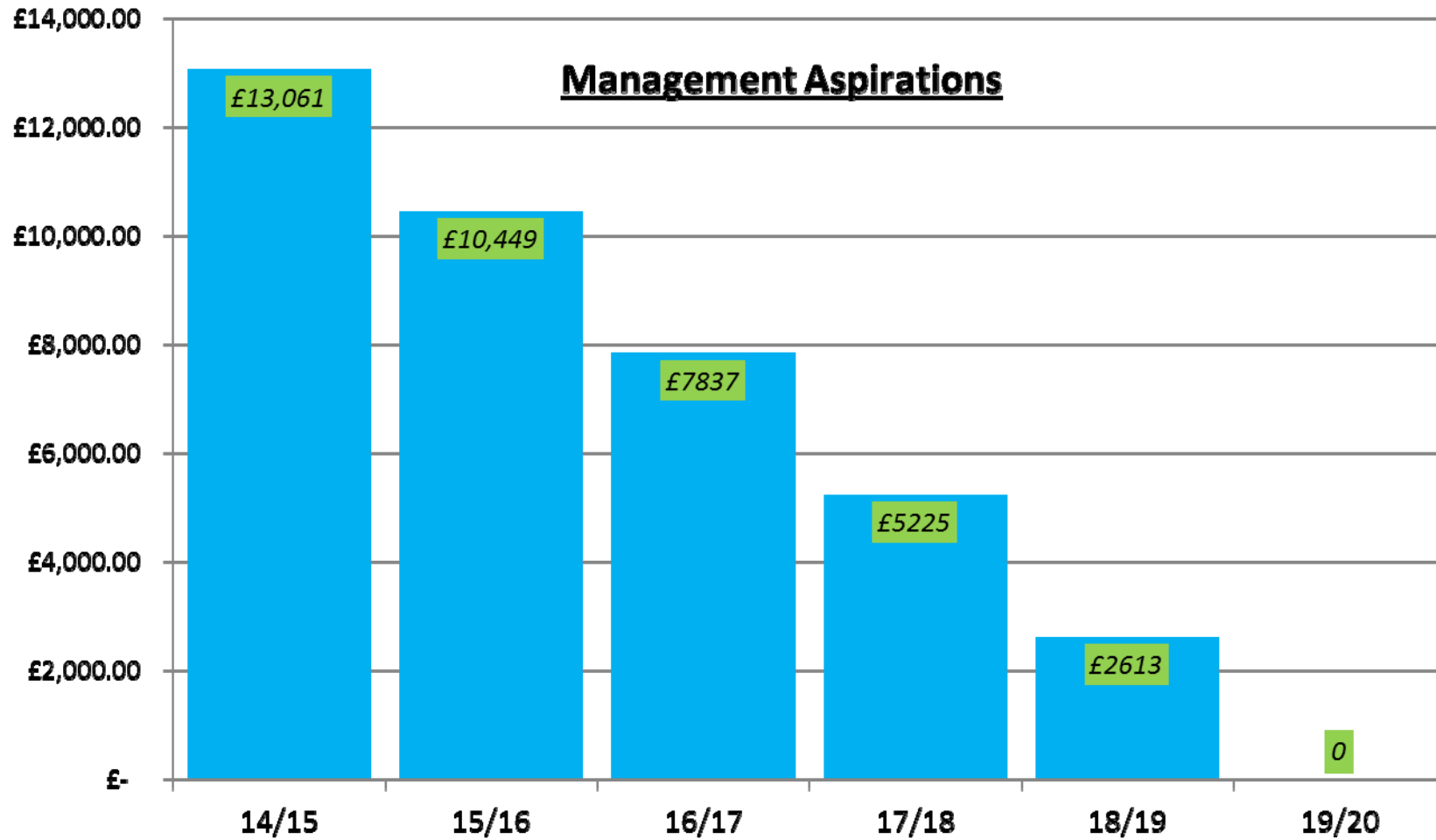
# Commercial & Neighbourhood Services – Management Manifesto



## 2014/15 Approved Budget



# Commercial & Neighbourhood Services – Management Manifesto



# Conclusions



- Budgets continuing to drop up to 2020
- Sector response been good in terms of cost reduction, efficiency and improving productivity
- This only takes us so far
- We now need to seek out income generation opportunities to offset budget cuts
- Need for a commercialisation strategy
- Time for a spirit of municipal entrepreneurialism

**LOCAL SERVICES**

**LOCAL SOLUTIONS**



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