

Appendix A - Income Generation Local Authorities Activity

Local Authority	Income Generation Method	Comments
Aylesbury Vale District Council	Space Letting in Offices	generated £50,000 in one year
Aylesbury Vale District Council	Garden Waste Service	generated £450,000 in one year
Aylesbury Vale District Council	Comprehensive Pre Planning Application advice	generated £70,000 in one year
Aylesbury Vale District Council	Community Lottery	http://www.aylesburyvale.gov.uk/news/online-lottery-will-be-council-first
Birmingham City Council	Digital Advertising revenue	Founding member of Council Advertising Network for further information please see: http://www.local.gov.uk/documents/10180/5785771/Birmingham+City+Council+-+generating+digital+advertising+income+with+a+network+of+councils/364c9778-dc51-4bbc-9b75-4a87bb4adb11
London Borough of Camden	Generating income from 4G network	The London Borough of Camden initially led a group of 16 Councils across London and Kent in a collaboration for the implementation of a Wireless concession contract. Twelve Councils have gone on to individually secure deals. For Camden this will provide a Wi-Fi network in areas of high footfall where residents, businesses and visitors will be able to access the council's online services 24 hours a day, 365 days a year using devices such as smartphones, laptops and tablets. Each registered user will get 30 minutes of free internet access every day on each device they use on the network. This concessionary contract is designed to make better economic use of council owned assets and improve wireless network connectivity for the borough. Once users have taken advantage of the 30 minutes of free time, they will have the opportunity to purchase extra time from the provider of their choice.
Cheshire East Council	Energy project with supplier	The energy projects are breaking new ground looking at the alleviation of fuel poverty, anaerobic digestion, geothermal and other energy projects. The council has announced a strategic partnership with an energy supplier with the aim of enabling competitive energy pricing for residents and supporting those in fuel poverty. This solution sees the Council take a lead role in a strategic partnership with registered housing providers to enter into a formal contractual arrangement with an energy supplier.
Eastleigh Borough Council	Property Acquisition	Its innovative to property management now means the Council is landlord to a high profile mix of businesses including B&Q, Lloyds Bank, Wetherspoons, Matalan, Halfords, Pets at Home, Costa Coffee and Travelodge as a result of the freehold purchase of land and buildings over the last five years . The most ambitious acquisition has been the Ageas Bowl, home of Hampshire Cricket, where the council is investing £40 million, including the construction of a 4* Hilton Hotel. Assets owned by Council have risen, according to the latest valuation, from £55 million to £188 million. Revenue surplus after borrowing and other costs is almost £2.5 million per annum. The assets contribute to regeneration, economic and employment objectives. For example, the Ageas Bowl alone is forecast to generate £55 million in direct and indirect economic benefits annually and 500 additional jobs.
London Borough of Hammersmith and Fulham	Various	External Income Streams grown across a number of areas generating £800k in one year http://www.local.gov.uk/documents/10180/5785771/Income+Generation+Case+Study+-+Hammersmith+and+Fulham.pdf/cae580eb-0fa6-461a-a4cf-191fb0ff2aa3
Leeds City Council	Various	In addition the Unit is regarded as a regional centre of expertise and has worked collaboratively with other bodies, for example: <input type="checkbox"/> Leading the project and programme management of the Grand Depart for the 2014 Tour de France <input type="checkbox"/> Supporting the Leeds City Region LEP to develop deliver collaborative projects including Superfast Broadband, a range of Investment Funds up to £400 million in value, Green Deal, etc. <input type="checkbox"/> Supporting West Yorkshire Police to deliver a £100 million + PFI project. <input type="checkbox"/> Working with Local Partnerships to deliver efficiency reviews and the Re:FIT programme
Manchester City Council	Advertising	The Council has entered into a major roadside advertising contract, including significant media space, for Manchester City Council to drive channel shift, promote events, etc. This has been running for four years. City Centre interactive wayfinding screens, set up in late 2013, are also generating significant surplus. This has generated significant revenue of around £2 million per annum with broadly equivalent value in media space.
Nottingham City Council	Royal Centre - making theatre and concert hall more self sufficient	Royal Centre - a focussed business approach at this Council owned theatre and concert hall, thereby producing a range of more commercially viable events, leading to an annual net cost reduction of £0.5m and advancing an ambitious partnership self financing a capital investment programme of c£10m over the next 5 years;
Nottingham City Council	Transforming Insurance	Transforming Insurance, embedding a risk balanced culture amongst colleagues, enabling a change in approach to insurance premiums and the in-sourcing of claims management, supporting a real-terms annual reduction in costs of over £0.4m; http://www.local.gov.uk/documents/6281932/6282225/Nottingham+MJ+Awards+Submission+-+Commercialism.pdf/868bc9b4-efde-443e-a744-2e82ef84ecf3

Peterborough City Council	Energy project with supplier	The energy performance contract between the City Council and Honeywell Solutions Ltd, marks the culmination of a process which began two years ago. A contract to deliver guaranteed energy efficiency for non-domestic properties has therefore been let to Honeywell Solutions to address the financial benefits of investment in energy efficiency schemes.
Portsmouth City Council	Media and advertising	Advertising and sponsorship opportunities are now generating more than £200,000 per year for Portsmouth City Council, and have become a key consideration when planning new projects and events. http://www.local.gov.uk/documents/10180/5785771/Income+Generation+Case+Study+-+Portsmouth.pdf/940472ec-a12f-4673-96ec-28c5e470dd7c
Reigate and Banstead	Various	Strategic partnership with private sector organisation http://www.local.gov.uk/documents/10180/5785771/Reigate+and+Banstead+Borough+Council+-+Strategic+Partnership/6c20e7e7-8c15-472d-a9a5-aadc4a6d0775
Surrey County Council	Trading Companies	The Council has the following active Local Authority Trading Companies: <input type="checkbox"/> SEBS – a vehicle that can be used for a range of opportunities as they arise, from their IT Data centre to the provision of fire services to commercial partners. <input type="checkbox"/> Property Company – a Property Holding Company with three subsidiary companies (Property Investment Company: Residential, Property Investment Company: Commercial, Property Development Company). <input type="checkbox"/> Surrey Choices – day services and community support – commissioned by Surrey County Council (so teckal) but can also provide services to others. The Company structure provides the flexibility to meet the needs of this wider market. <input type="checkbox"/> TRICS – a recently incorporated Local Authority Trading Company (a consortium with 5 other Local Authorities) for the management of a computerised transport trip rate database used for transport and planning and purchased by developers. http://www.local.gov.uk/documents/10180/5785771/Surrey+County+Council+-+Local+Authority+Trading+Companies+and+Education+Joint+Venture+Partnership/d61c62ac-6692-4745-a0f7-79ab380464e4
Warrington Borough Council	Commercial Training	http://www.local.gov.uk/documents/10180/5785771/Warrington+Borough+Council+-+Commercial+Skills+Training/ef3760b2-130f-48a5-931d-76f165d776f3
Wolverhampton City Council	Temporary and Interim workers	Wolverhampton City Council was spending on average £7.5 million a year on temporary and interim workers. It was suggested that rather than paying private companies to do this it should be done through a Council owned company. YOO Recruit was established as a Wholly Owned Company in February 2014 and started trading in April 2014. Up to the end of the calendar year 2014 YOO Recruit has had a turnover of £1.2 million and a gross Profit of £141,000. YOO is currently providing 10% of all temporary workers into the Council and the forecast for the next two years are £365,000 for 2015/16 and £500,000 for 2016/17 in gross profit. The main impacts of this initiative have been that: • All profits/surplus are returned to the Council. • The Council has much more control over spending on temporary workers and also payments to workers. • There are fewer invoices so costs have been reduced. • There are no temporary to permanent fees giving an additional saving equalling £60,000 based on a 15% fee. • 90% of the workers signed up to YOO Recruit live in Wolverhampton. • Temporary workers are paid the living wage as opposed to the minimum wage
Woking Borough Council	Commercial Investment	http://www.local.gov.uk/documents/10180/5785771/Income+Generation+Case+Study+-+Woking.pdf/7a6fd7ac-aa91-4629-a3c1-e07bc1d75aeb
Guildford Borough Council	Commercial Investment	Following success of the strategy, in September 2014 the Council introduced a revised asset investment strategy along with a capital fund of £25million to continue to acquire new investment assets and re-purchase long leases on existing investment property. The strategy is heavily tied with the Council's economic strategy and the need for growth and investment in certain business sectors within the borough. The aim is to support local business and achieve a return for the Council. The Asset Investment Strategy sets strict criteria for investment. The asset must score highly against a criteria matrix for investment and must yield an internal rate of return (IRR) of at least 8%. The Council aims to achieve net additional income of £2million from its investment in assets by 2018 (£800k by 31 March 2015, with a further £700k to follow in 2015/16 and another £500k in 2017/18). As part of the strategy, the Council revised their Minimum Revenue Provision for Debt Repayment (MRP) policy to use the annuity method of calculating MRP on investment assets. This means that the MRP charge grows with the predicted rental stream growth. The Council anticipates 12 years for the £25million capital investment to be recovered, based on an IRR of 8%.