

Corporate and Communities Overview and Scrutiny Panel

Tuesday, 22 May 2018, County Hall Worcester - 2.30 pm

		Minutes
Present:		Mr C B Taylor (Chairman), Mr A D Kent, Mr R J Morris, Prof J W Raine and Mr A Stafford
Also attended:		Ms K J May, Cabinet Member with responsibility for Transformation and Commissioning Michael Hudson (Chief Financial Officer) and Andrew Spice (Director of Commercial & Commissioning)
Available Papers		The members had before them: A. The Agenda papers (previously circulated); B. Presentation handouts for What can Worcestershire County Council do to maximise Income generation? (circulated at the Meeting) C. The Minutes of the Meeting held on 8 March 2018 (previously circulated). (Copies of documents A and B will be attached to the signed Minutes).
217	Apologies and Welcome	The Chairman welcomed everyone to the Meeting, in particular Andrew Spice, the new Director of Commercial and Commissioning and Michael Hudson, the new Chief Financial Officer to the meeting. The Chairman advised that Councillor Richard Udall had replaced Councillor Robin Lunn as a Member of the Panel with immediate effect. Apologies were received from Mr J A D O'Donnell, Mrs M A Rayner and Mr R P Tomlinson.
218	Declarations of Interest and of any Party Whip	Councillor Adam Kent declared an interest in respect of Agenda Item 6 - What can Worcestershire County Council do to maximise income generation? - he was a Director of a small business that had received a loan from the Birmingham Small Business Loan Fund which was supported by Birmingham City Council.
219	Public Participation	None.
220	Confirmation of	The Minutes of the Meeting held on 8 March 2018 were

**the Minutes of
the Previous
Meeting**

agreed as a correct record and signed by the Chairman.

**221 Discussion with
the Director of
Commercial and
Commissioning
and the Chief
Financial
Officer**

The Chairman of the Panel invited the new Director of Commercial and Commissioning and the new Chief Financial Officer to the meeting with a view to the Director outlining his vision for the Directorate. The Cabinet Member with Responsibility for Transformation and Commissioning suggested that as the Director and Chief Financial Officer were new in post it was too early to outline their vision, it was therefore agreed to move on to the next agenda item.

**222 What can
Worcestershire
County Council
do to maximise
Income
generation?**

The Panel received a presentation on how the County Council maximised its income generation, which was part of its current Work Programme.

The main points of the Presentation were:

- What is income?
 - Fees and Charges, statutory and obligatory: e.g. libraries, registrars
 - Licences and permits
 - Taxation and Levies: e.g. council tax discounts or Community Infrastructure Levy (CIL) Grants: e.g. Public Health
 - Traded surplus/dividends: e.g. wholly owned company
 - Investment: e.g. interest earned on money
 - Collection rates: e.g. improve collection rates
 - Capital receipts: e.g. sale of land or buildings
- What do we collect now?
 - Nearly £170m, not considering Council Tax or Government Settlement Funding Assessment
 - £70m+ in other grants, e.g. BCF and Public Health being majority of that
 - Around £21m of client contributions for care
 - Nearly £10m from investments/traded accounts
 - Fees and charges/Licences circa £20m
- How do we maximise?
 - Complex process, driven by risk appetite as well as balance of social factors and public fiduciary duty.

- Be clear on inter-relationship with other strategies: e.g. concessions; financial inclusion; Debt write-off; and Treasury Management.
- Clear set of principles flow from this
- Have good management information on costs, competitors, market place and economic impact of changing prices
- Be clear on roles & responsibilities
- Diligence on targets

- Next Steps

- Examine what we know now
- Assess gaps and plan to address
- Income Strategy alongside Commercial Strategy
- Update other strategies
- Fees and Charges book
- Compare and contrast
- Competence and development programme
- KPIs/reporting

Following the Presentation, the Panel were given the opportunity to ask questions and the main points made were:

- In determining the areas where income could be generated, it was important to have an agreed Strategy and to consider the best practice from other Councils
- In terms of new initiatives for generating income, Worcestershire County Council was at an early stage of its journey and it was important for the Council to agree its risk appetite
- It was suggested that introducing a financially incentivised staff suggestion scheme could be a way to generate ideas in this area
- A member suggested that an integral part of looking at income opportunities was to understand costs and this was accepted by the Officers
- The Council should be promoting further the support it provided to small or medium-sized enterprises (SME) ie companies that have fewer than 250 employees. For instance, Birmingham City Council ran the Birmingham Small Business Loan Fund, the aim of this was to enable local businesses and social enterprises to access the finance they needed to survive and thrive, protecting or creating jobs and boosting the local economy in Birmingham in the process.

Income was made from interest on the loans and whilst the County Council's scheme also provided income in this way, it was suggested that this could be promoted more extensively

- At the moment information relating to the Council's fees and charges was not held in one place, so an early piece of work was to introduce a fees and charges book which could be held centrally.

The Chairman thanked the Cabinet Member and Officers for attending the Meeting and asked if the Panel could be provided with an update in this area in 6 months' time.

The meeting ended at 3.25 pm

Chairman