

Workshop Agenda and briefing note

Facilitators: Karen Simpkin, Tim Child and Simon Davey

Aims: to work with a cross section of Members to help inform and shape EDDC's Commercial Strategy and Plan

Timescale and process for adoption of the Strategy and Plan:

- Workshops March/April (Dates: TBC)
- Development of Strategy/Plan May
- Proposed Timetable for adoption 2nd July (Joint Overview and Scrutiny)
8th July (Cabinet)
22nd July (Council)

Agenda

Aims of session	KS
Ground rules of our session	KS
The financial/commercial imperative	SD

Development of principles for Commercial Strategy (with the three areas below in mind) and strategic fit to Council Plan

TC/KS/SD

1) Existing assets

- Workshop Units
- Business Centre
- Beach Huts
- Diversification – utilising buildings and plots of land to generate additional commercial returns
- Community Asset Transfers

Through increasing incomes, understanding financial and non-financial performance of every asset and using this to inform strategic decision making, generating capital receipts through disposing of poorly performing assets, maximising recovery of costs from tenants and ensuring maintenance spend is managed to ensure maximum return on investment.

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2) Services

- Commercial Waste
- Development Homesafeguard offer to wider East Devon public
- Development of Handyperson Scheme offer to wider East Devon public
- Countryside Services – additional events/attractions possible corporate events
- Parks and gardens – additional events/activities

3) Investment opportunities

- Acquiring new commercial investments to generate financial return
- Investment in existing assets to generate financial return – moving away from traditional model of reactive / planned maintenance towards investment / diversification
- Direct development
- Strategic partnerships and joint ventures
- Housing Company

General Fund Key facts briefing:

- 464 land assets on which there are 432 buildings and 91 infrastructure assets
- Circa £90,000,000 capital value
- 377 leases / licences generating more than £900,000 per annum. 153 leases account for £875,000 with 224 accounting for less than £40,000 in total therefore with an average rent of just £176 per annum
- Spend on assets of £2.5m annually (excluding council housing), with a further £1.5m in capital

Commercial strategies

We are not pioneers – most district councils have adopted Commercial Strategies to help deal with funding gaps and to generate a more sustainable model for delivering key services. Many have been doing this for years already.

<https://www.civica.com/en-gb/container---insights-library/commercialisation-another-string-to-councils-bows/>

Budget deficit £1.6 m for 2021/22

Income which is not generated through a Commercial Strategy will need to be found as savings through staff redundancies and service cuts (Fit for Purpose and Careful Choices).

Members need to provide a steer to officers for activity in this area otherwise nothing will happen and the year is rapidly progressing. Senior officers are collectively advising Members that a lack of decision making in this regard will detriment staffing levels and future service delivery.