

Exeter City Council Commercial Strategy



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3 Strategic Context

3.3 Legal Context

The legal context is complex both in terms of actual legislation and case law. We will operate within this legal framework, including considerations relating to State Aid Compliance, and the Public Sector Duty within the Equality Act 2010 and the Localism Act.

Legal guidance will be sought on each commercial project to ensure the City Council remains within the law, especially when we enter phase 2 of the Commercial Strategy when we start to make a surplus.

There are a number of delivery models available to the City Council when commercial activity delivers a surplus. These include:

- Direct delivery through existing services. This is the existing model of delivery for Commercial Waste and Corporate Property.
- The setting up of a commercial company (Local Authority Trading Company - LATCO). This would involve it becoming a separate legal entity with a board of directors and appropriate structure. This type of company would be liable for corporation tax.
- The setting up of a Teckal company, where this company is a joint venture with other public bodies, however its trading is limited to the partners involved.

As the City Council develops and expands its commercial activity, we will determine the best delivery model for each activity through the development of a business case for each commercial activity.

3.4 Income Generation and Cost Recovery

The City Council already has a comprehensive programme of fees and charges that recovers costs to deliver a range of services, from charges for events and admission fees to application fees and charges for services such as pest control, waste and car parking.

Income generation and cost recovery is defined as achieving income that either partially or fully recovers the costs of providing for a service but does not generate a surplus. Income generation and cost recovery will be a key part of the council's aim to be financially sustainable alongside this strategy and will be the focus of phase 1 activity.



10 Action Plan

Short Term Goals	Medium Term Goals	Long Term Goals
Marketing and customer care	Marketing and customer care	Marketing and customer care
Develop branding & Corporate Identity with Services and Communications & Marketing Team	Enhance and develop the brand to encompass new commercial opportunities	Continued brand development
Communications and Marketing to develop and agree a commercial marketing strategy with the Commercial Team and associated services	Implement the commercial marketing strategy Targeted marketing campaigns as and when required	Commercialisation is embedded within marketing
Market research capacity and skills are developed	Market research supports the development of business cases	On-going market research supports commercialisation
Develop systems to record, monitor, manage and utilise customer satisfaction	Continue to monitor and manage customer satisfaction and develop customer relations	Utilise customer relations to expand commercialisation