



**East of England** | Talent  
Local Government Association | **Bank**

## **Commercial Portfolio Progress? – Pause? - Paralysis?**

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## Where are your commercial activities now?

### ➤ **Progressing**

- Where an initiative is going as planned and achieving its income targets

### ➤ **Paused**

- Where an initiative is on hold, usually ones in the pipeline that haven't launched yet

### ➤ **Paralysed**

- Where an initiative has stopped or significantly missed its income targets
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## What we'll be looking at



- The impact of the Covid-19 pandemic
  - Where commercial initiatives have been impacted
  - When commercial initiatives are likely to recover and to what extent
  - Markets and customers
  - Commercial reviews
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# The Impact of Covid-19



- Cost of setting up and maintaining extensive remote working
  - Maintaining staff moral, commitment and enthusiasm
  - Significant reduction in income levels
  - Uncertainties on when work and life may return to normal
  - Changes to the public's needs and expectations
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## Examples of commercial areas affected by the pandemic

- Parking fees, shoppers and commuters
  - Commercial premises rent arrears
  - Venue hire fees
  - Festivals and other events
  - Conference and corporate event hosting
  - Theatres
  - Leisure Centres
  - Trade Waste
  - Local and national businesses ceasing to trade
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# What is likely to recover and when? -1



- Parking fees, shoppers and commuters
  - Commercial premises rent arrears
  - Venue hire fees
  - Festivals and other events
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## What is likely to recover and when? - 2



- Conference and corporate event hosting
  - Theatres
  - Leisure Centres
  - Trade Waste
  - Local and national businesses ceasing to trade
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## Are your customers and market still the same?

- Are you sure your customers' needs are the same as they were before the pandemic?
  - Have other players come into your market during this time?
  - Is the way customers access or order your services up to date and easy to navigate?
  - Are your prices competitive and enabling full cost recovery?
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## So....what can you do?

- Now is the time to undertake a review of all your commercial activities
  - To:
    - Review performance of existing activities
    - Identify and explore new opportunities
    - Check efficiency of processes
    - Review capacity and capability
    - Update financial forecasts and costings
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# What's the best way to undertake a review? - 1



- Identify one person within your authority to lead on the review who is experienced in running successful commercial activities
  - Speak with a wide range of staff involved in commercial activities, review customer satisfaction results, financial and performance reports and look more widely at the external commercial market to ensure you are able to compete effectively
  - Use EELGA to support if you don't have the capacity to undertake the review, and to ensure an independent view
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## What's the best way to undertake a review? - 2



- Utilise the recommendations of the review to shape your current and future commercial programme and aspirations
  - Be prepared to have to change or even stop some commercial activities if they are not performing and are not able to be rescued
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