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Cyngor Sir y Fflint Flintshire County Council

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To: Cllr David Roney (Chair)

Councillors: Clive Carver, Glenys Diskin, Chris Dolphin, Ian Dunbar, Andy Dunbobbin, Brian Dunn, Robin Guest, Ron Hampson, Dave Mackie, Mike Reece, Tony Sharps, Paul Shotton, Nigel Steele-Mortimer and Carolyn Thomas

20 April 2016

Dear Councillor

You are invited to attend a meeting of the Organisational Change Overview & Scrutiny Committee which will be held at 10.00 am on Tuesday, 26th April, 2016 in the Clwyd Committee Room, County Hall, Mold CH7 6NA to consider the following items.

* Please note the venue for the meeting.

A G E N D A

1   APOLOGIES

Purpose: To receive any apologies.

2   DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

3   MINUTES (Pages 3 - 8)

Purpose: To confirm as a correct record the minutes of the meeting held on 29 March 2016.

4   THEATR CLWYD PROGRESS REPORT (Pages 9 - 18)

Report of Chief Executive, Chief Officer (Organisational Change) and Artistic Director of Theatr Clwyd enclosed. Portfolio of the Leader of the Council and Cabinet Member for Finance.

Purpose: To provide the committee with current information and to enable them to discuss the issues.

5   **<u>WELSH PUBLIC LIBRARY STANDARDS</u>** (Pages 19 - 30)

Report of Chief Officer (Organisational Change) enclosed.

Purpose: To provide the committee with current information and to enable them to discuss the issues.

6   **<u>ALTERNATIVE DELIVERY MODELS - THE NATIONAL CONTEXT</u>** (Pages 31 - 78)

Report of Chief Officer (Organisational Change) enclosed. Portfolio of the Deputy Leader of the Council and Cabinet Member for Environment.

Purpose: To provide the committee with current information and to enable them to discuss the issues.

7   **<u>IMPROVEMENT PLAN 2016/17</u>** (Pages 79 - 92)

Report of Chief Executive and Chief Officers (Organisational Change) enclosed. Portfolio of the Deputy Leader of the Council and Cabinet Member for Environment, Cabinet Member for Education and Cabinet Member for Waste Strategy, Public Protection and Leisure.

Purpose: To enable consideration of the areas of the draft Improvement Plan 2016/17 relevant to the Organisational Change Overview & Scrutiny Committee

8   **<u>FORWARD WORK PROGRAMME</u>** (Pages 93 - 98)

Report of Member Engagement Manager enclosed.

Purpose: To consider the Forward Work Programme of the Organisational Change Overview & Scrutiny Committee.

Yours faithfully

Peter Evans
Democracy & Governance Manager

ORGANISATIONAL CHANGE OVERVIEW & SCRUTINY COMMITTEE
29 MARCH 2016

Minutes of the meeting of the Organisational Change Overview & Scrutiny Committee of Flintshire County Council held in the Gwernymynydd Village Centre, Ruthin Road, Gwernymynydd, CH7 5ND on Tuesday, 29 March 2016

PRESENT: Councillor David Roney (Chairman)
Councillors: Chris Dolphin, Ian Dunbar, Andy Dunbobbin, Robin Guest, Dave Mackie, Paul Shotton and Nigel Steele-Mortimer

SUBSTITUTION: Councillor Adele Davies-Cooke (for Clive Carver)

ALSO PRESENT: Councillor Veronica Gay

APOLOGIES: Councillor Bernie Attridge, Deputy Leader & Cabinet Member for Environment

CONTRIBUTORS: Councillor Kevin Jones, Cabinet Member for Waste Strategy, Public Protection & Leisure; Councillor Chris Bithell, Cabinet Member for Education, Chief Officer (Organisational Change 1), Chief Officer (Organisational Change 2), and Play Development Officer. (For minute no.52: Simon Morgan and Sarah Breeze (Cambrian Aquatics Limited), Councillor Nancy Matthew, Kevin Hughes and Carl Jackson (Gwernymynydd Village Hall Committee), Councillor Sara Parker (Caffi Isa, Mynydd Isa Community Centre and Library) and Ann Woods, Chief Officer, Flintshire Local Voluntary Council (FLVC)

IN ATTENDANCE: Member Engagement Manager and Committee Officer

Prior to the start of the meeting the Chair thanked Councillor Nancy Matthews and Kevin Hughes for their hospitality and for facilitating the meeting to be held at Gwernynynydd Village Centre.

50. **DECLARATIONS OF INTEREST**

The Member Engagement Manager explained that Councillors Nancy Matthews and Sara Parker were in attendance as contributors to the meeting and not in their role as Members of the Council, but that they had both made personal declarations.

51. **MINUTES**

(i)   The minutes of the meeting held on 8 December 2015 were submitted.

(ii)   The minutes of the meeting held on 15 February 2016 were submitted.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

52.   COMMUNITY ASSET TRANSFER

The Chair introduced a report on the Community Asset Transfer scheme. He explained that it was intended that the views of the current applicants who had been involved in all stages of the scheme and Flintshire Local Voluntary Council, would be heard in the first instance. Those views and the review of the scheme, as detailed in the report, would then be considered to enable the Committee to finalise its comments on the scheme to formalise a final review.

The Chair welcomed the applicants to the meeting. He introduced Mr. Simon Morgan and Sarah Breeze, Cambrian Aquatics Limited (in relation to Connah's Quay swimming pool), Councillor Nancy Matthews and Mr. Kevin Hughes (Gwernymynydd Village Hall Management Committee, in relation to Gwernymynydd Village Centre), and Councillor Sara Parker (Caffi Isa, in relation to Mynydd Isa Community Centre and Library). The Chair invited each of the applicants to give a brief overview of their projects, their experience of the CAT scheme, and comments on what had worked well and what could be improved to inform future learning.

Mr. Simon Morgan provided verbal feedback concerning the transfer of Connah's Quay swimming pool and explained that he felt there was room for improvement in the following areas:

- liaison with staff at an early stage to resolve Human Resource issues

- clarity on the requirements for a business model/business case

- clarity around legal documents and completions

- the need for some form of initial funding to be provided for set-up costs

- some key elements to be addressed to ensure buildings are in a suitable condition before transfer

Councillor Nancy Matthews and Mr. Kevin Hughes, spoke in relation to Gwernymynydd Village Centre and gave background information and context. Councillor Matthews and Mr. Hughes raised a number of concerns for community groups around the 'hidden costs' regarding the CAT scheme, such as legal fees and responsibilities, and the personal liabilities of the trustees.

Councillor Sara Parker gave a brief overview of her experience in relation to Caffi Isa, Mynydd Isa Community Centre and Library. She explained that her experience had been positive overall and that the project was scheduled to be completed in April 2016. She raised a concern regarding communication to Council staff who are affected by the transfer and making

sure it is clear how the community group best communicates with staff during the process.

The Chair thanked the applicants for their presentations and invited Members to raise questions.

Councillor Paul Shotton referred to the financial contribution made by Connah's Quay Town Council to the transfer of Connah's Quay swimming pool and commented on the use of the pool by residents across the whole of Deeside. He asked if other local Town and Community Councils had responded to a request for financial support for the project. Mr. Morgan advised that Cambrian Acquatics Limited had written to all local Town and Community Councils, local industries and organisations, to seek support, however, only one formal response had been received to date and he urged Members to encourage support from other local Councils to sustain the project. In response to the concerns raised by Councillor Ian Dunbar, Mr. Morgan explained that a meeting had been arranged with Connah's Quay Town Council to be held in April 2016 to update on progress so far.

During discussion Officers responded to the further comments and observations put forward by the Applicants and Members. The Chief Officer (Organisational Change 1) explained that learning had been developing for all stakeholders as the schemes progressed and areas where improvement was required were acknowledged and would be addressed to ensure a "smoother" transition in the future. He advised that a full review of the scheme taking on board the views of the above projects would be completed.

Councillor Chris Dolphin commented on the financial pressures on local Town and Community Councils and referred to the need to consider additional costs in the future through the potential transfer of other community assets from the Authority and cited play areas and village halls/community centres as an example. Councillor Robin Guest concurred with the comments expressed by Councillor Dolphin and emphasised there was a need to lobby for funding from business rates to support Town and Community Councils to take on board community asset transfers from the Authority.

Councillor Robin Guest commented on the need for sustainability and expressed a concern that there could be a risk to the projects if key personnel/board members were unable to continue in their role. The applicants explained the structures and measures in place to ensure no person was solely responsible for any aspect of the project and staff and volunteers had sufficient knowledge and experience to take forward.

The Chair invited Ann Woods, the Chief Officer of Flintshire Local Voluntary Council (FLVC), to present her views on the CAT process. Mrs. Woods explained that her role as representative of the FLVC had been to provide independent support to applicants and help administer the scheme up to stage 3 business planning with the aim of achieving the best possible outcome for the local community.

The Chief Officer (Organisational Change 2) reported on the initial Council review of the scheme, as detailed in the report, and referred to the key considerations around the learning that had developed as the scheme progressed and the areas where further improvement was required.

RESOLVED:

(a)   That the views expressed at the meeting by all contributors and the members of the Committee be incorporated into the final first year review of the Community Asset Transfer Scheme; and

(b)   That all who attended the meeting be formally thanked by the Committee for their contributions.

53.   **PLAY SUFFICIENCY ASSESSMENT 2016 INCLUDING FUTURE PLANS FOR CONSULTING ON SUMMER PLAY SCHEMES AND PLAY AREAS**

The Chief Officer (Organisational Change 1) introduced a report to inform of the summer play scheme programme 2015 and provide information with regard to the financial implications for delivery of the summer playscheme in 2016 and 2017.

The Chief Officer provided background information and advised that the securing of play sufficiency would be about how the Council and its partners strategically planned to remove the barriers that prevented children accessing their right to play. The Play Sufficiency Assessment 2016 aimed to promote inclusion and improve access to play opportunities for all children in the County. The Chief Officer explained that information on the progress made by the Authority on the Play Action Plan 2013-2014 and the revised actions for 2016-17 was appended to the report. He reported that Welsh Government feedback from the Play Sufficiency Assessment had been positive and was also appended to the report.

The Chief Officer invited the Play Development Officer to report on play provision and schemes within the County during 2015. She referred to the three play schemes which were delivered in partnership with Urdd Gobaith Cymru through the medium of Welsh and funded by the Families First grant. The Play Development Officer advised that Welsh Government funding would not be available to support delivery of the Summer play scheme in 2016, although the Council had committed to funding for one year to ensure there are funds available for the delivery of the Summer 2016 programme. Town and Community Councils were asked to consider increasing their contribution and to explore alternative delivery models to sustain the provision of play schemes in their areas. Feedback from Town and Community Councils had indicated that it would be easier if they knew which play areas the Council could continue to provide and which it could not.

Councillor Ian Dunbar spoke of the value of the Quayplay scheme held at Connah's Quay Sports Centre.   He commented on the pressure on Town and Community Council budgets due to reduced funding and said it may be

difficult to make financial contributions in the future. He asked what assistance and guidance could be provided by the Authority to assist Town and Community Councils to help maintain such schemes going forward. Councillor Kevin Jones and the Chief Officer gave an assurance that the Authority would do everything possible to assist Town and Community Councils and other willing organisations/partnerships to "take on board" play area provision. Councillor Jones and the Chief Officer explained that it was planned to consult with Town and Community Councils around the beginning of May on the core provision that the Council would potentially be able to provide in the future and the number of play areas in each community. The Chief Officer commented that the Authority acknowledged that play was central to the physical and emotional well-being of children and referred to the need to increase opportunities for play within local communities and encourage greater use of the countryside as a more effective way to provide creative play for the future. The Play Development Officer emphasised that children needed time, space and permission to play.

Councillor Robin Guest spoke of the increasing demands on Town and Community Councils "in all directions" as a result of the withdrawal of central funding and said there was a need for Town and Community Councils to know the cost of repairs and maintenance of play areas before engaging in CAT schemes.

Councillor Dave Mackie commented on the location and number of play areas in some communities as opposed to others and also raised concerns around the acts of anti-social behaviour which occurred in some play areas. He said he would like the Authority to review the funding for play areas and play schemes with a view to providing a more widespread and fairer allocation of provision for all local communities. Councillor Mackie also referred to S106 funding and suggested that the funding could be better used to assist play provision and build play areas in communities where there was currently no provision.

RESOLVED:

(a)   That the Play Sufficiency Assessment and the approach being taken for the future of Summer Play Schemes and the core offer for children's equipped play areas be endorsed; and

(b)   That the re-establishment of the Strategic Play Forum be supported.

54. **2015/16Q3 IMPROVEMENT PLAN MONITORING (ORGANISATIONAL CHANGE)**

The Member Engagement Manager introduced a report on the monitoring of progress for the third quarter of 2015/16 focusing on the areas of under performance relevant to the Committee.

RESOLVED:

That the Quarter 3 Improvement Plan Monitoring Report be received.

55. **FORWARD WORK PROGRAMME**

The Member Engagement Manager introduced the Forward Work Programme. He explained that following consultation with the Chair, it was proposed to move the meeting which had been scheduled for 27 April 2016 to Monday, 25 April 2016, to enable key contributors to be present. This was agreed by the Committee.

RESOLVED:

(a) Approved with additions and the next meeting being held on Monday 25th April at 10.00 a.m.; and

(b) That the Member Engagement Manager, in consultation with the Chair and Vice-Chair be authorised to vary the work programme between meetings.

56. **MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE**

There were no members of the public or the press in attendance.

(The meeting started at 10.00am and ended at 12.30pm)

…………………………
Chairman

ORGANISATIONAL CHANGE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Tuesday 26th April 2016
Report Subject	Theatr Clwyd Progress Report
Report Authors	Chief Executive Chief Officer, Organisational Change Artistic Director, Theatr Clwyd

EXECUTIVE SUMMARY

The September meeting of the committee was held at Theatr Clwyd (TC) shortly after the appointment of the new Artistic Director and provided an opportunity to consider an updated Business Plan.

This report updates committee on implementation of that Business Plan including the key issues of performance, developing community involvement, developing the commercial approach, theatre tax relief, and the staff restructure.

The extent of operational change and modernisation currently going on at Theatr Clwyd is substantial and is to ensure that a sustainable operating model and organisational structure is put in place for the foreseeable future.

RECOMMENDATIONS	
1	To comment on the implementation of the Theatr Clwyd Business Plan.
2	That the committee is assured that the operational changes and modernisation currently taking place provides a sustainable model for Theatr Clwyd in the foreseeable future.

REPORT DETAILS

1.00	KEY CONSIDERATIONS
1.01	**Section 1 – Overall Performance (referencing the core annual Arts Council of Wales remit and factors informing the 2016/17 budget)**
1.02	Our programme of 6-8 in-house shows: The current season is embracing a broader range of work than in previous years. This has already included a revival of a classic work (*Cat on a Hot Tin Roof*) and a regional premiere (*Jumpy*). It will continue with a large scale classic play with specially commissioned additional Welsh poetry and a community cast (*Cyrano de Bergerac*), a Shakespeare previously not seen at TC (*Much Ado About Nothing*), a new play for young people inspired by Shakespeare (*To Dream Again*), two world premieres and a major revival of a modern musical. Four of these are co-productions, which has enabled us to increase our programme of in-house shows back to 8 (from 6 in 2015-6). Co-producers include WMC, the Sherman, Paines Plough, High Tide Festival and two commercial producers.
1.03	Touring work around Wales and the rest of the UK: In March, our production of *Cat on a Hot Tin Roof* toured to Cardiff and Swansea. In the latter half of 2016, we will tour three of our productions.
1.04	Developing a culture of new writing at the heart of our work: This spring, we are producing *To Dream Again*, a new play retelling *A Midsummer Night's Dream* for young people, in co-production with Polka Theatre. In autumn 2016 we will be producing two new plays in co-production with two pre-eminent new writing companies. We have also worked with Playwrights Studio Wales, Stiwt, the Friends of Theatr Clwyd and Gladstone's Library to bring four contemporary writers into the theatre in a series of regular residencies during the spring and summer season. One of these writers has written to the Friends to say thank you, saying, 'it was such a privilege to be back in the building - which felt packed full of positive vibes - this time as a Writer. To be offered the creative freedom to create, develop, scribble, ponder and play is so rare these days, I simply can't emphasise how valuable it is to a Writer (or any creative freelancer).' As part of the staffing restructure, the role of Associate Director has been identified as a key post in further developing the new writing strand.
1.05	Presenting a diverse range of quality visiting work, film and visual art. Ensuring the best possible artistic quality and financial/operational management throughout: We have been working more holistically across the building to ensure that the different spaces and different art forms are in conversation with each other. This includes a mini Tennessee Williams' season in the cinema during the run of *Cat on a Hot Tin Roof*; a mother and daughter exhibiting in the gallery during the run of the mother and daughter play, *Jumpy*, in the EWT; and a 'nose season' in the cinema to tie in with *Cyrano de*

	Bergerac! We are also now planning further in advance, which is allowing us a greater choice in the visiting work we present.
1.06	Develop our Celtic Festival of new writing in collaboration with theatres and companies from the other Celtic nations: The Celtic Festival is in May and will not only involve a more numerous and varied selection of art forms across our spaces but also a number of free 'pop up' music and spoken word events to compliment the main programme.
1.07	Develop an Annual Report to reflect and promote everything we do: We are currently working on a new Business Plan, which will be delivered in October 2016 and will include input from our new Executive Director once in post.
1.08	Public Funding The 2016/17 budget incorporates cuts in public funding as follows: a) £150k from FCC – this is the second instalment of the total planned cut of £350k over 2 years. TC's grant allocation is pay-related and therefore the final amount for 2016/17 is £675,723 which reflects small adjustments for the impact of nationally agreed local government pay rises which are, of course, completely outside the theatre's control. b) £54k from ACW – this is a 3% cut across the board which is relatively good news given that some cut was inevitable following ACW's own funding reduction from the Welsh Government. Our total annual ACW revenue funding going forward is now set at £1,741,999.
1.09	Staff costs Staff costs have been calculated on the basis of the new staff structure and planned ways of working. Overall, staff costs have decreased on last year by £44.5k, which is attributable to three main issues: a) the latest version of the staff restructure and proposed theatre-specific pay and gradings has been included in the budget, yielding a net saving of £108.5k for the coming year, before the 2016/17 increases noted below. b) the nationally awarded Local Government pay rise (ranging from 1% to 6% for lower paid workers) has been included at a cost of £26k. As noted above, this is beyond the theatre's control and FCC have allocated an additional £8k to the theatre by way of partial compensation. c) The rate of Employer NI contributions is increasing in April – from 10.4% to 13.8%. This will add around £31k to the theatre's annual staff costs and has been budgeted for. It should also be noted that the theatre's liability for pension contributions has increased by £7k and now stands at 24.9%.

1.10	**Productions** The production budget has been reduced relative to previous years. However, as proposed in the business plan, new ways of working are enabling more to be delivered for less and we are currently working on three co-productions – a large contemporary musical and two new plays – which will join the Spring season (*Cyrano de Bergerac* and *Much Ado About Nothing*), two classics in each of the Studio and Main House and of course, the panto! A total of 8 Clwyd productions, which also deliver a broader audience appeal and build on the programme developments started in 2015/16. A note of caution should be sounded in respect of the implementation of the new staff structure and House Agreement as it remains to be seen precisely how this will play out for production budgets especially in this first year, so potential funds from Theatre Tax Relief are being held in reserve for now.
1.11	**Creative Engagement** It has been agreed with ACW that the Theatre for Young People (TYP) will no longer be a separate revenue funded organisation (RFO). Our work for and with young people will of course, continue and grow through the new Creative Engagement department which will operate a ring-fenced budget at a similar level. The ACW grant of £219k is a 3% reduction on 2015/16.
1.12	**Trading** Income earned from ancillary trading has been calculated on the basis of the existing operations plus an additional £30k contribution for room hires which should be comfortably achievable once the new posts of Director of Operations and Development Co-ordinator have been appointed. It should be noted that there is considerable scope for generating further additional income in this area over the coming years with the redesign of the catering and front of house sales which will flow from the new staff structure.
1.13	**Sponsorship** The sponsorship department is being significantly expanded with a new Director post aimed at yielding considerable extra income although much of this will be targeted at the capital project. A conservative £20k additional income has been included for 2016/17, which should mostly be achievable with the introduction of box office donations and a more joined-up approach to managing our customer base.
1.14	**Marketing** Marketing costs have been reduced on previous years by £20k to reflect the change to three brochures per year. This will be carefully monitored but it is sensible to take account of the increasingly digital environment that will be prevailing amongst our developing audience base. Once the new Director of Marketing is in post, a new marketing strategy will be developed along with a review of our pricing policy, exploring initiatives like early bird discounting and dynamic pricing.

1.15	Overheads
	Overheads are broadly held in line with previous years except in respect of recruitment which in the light of the staff restructure, has been provided for at £10k as there will still be some posts to appoint in the new financial year. We also need to explore future provision for IT and telephones as we have been advised that it is no longer financially viable for FCC to continue their support as their focus moves to the different needs of agile working, etc.
1.16	Risks
	2016/17 will inevitably be a difficult year for the theatre with much internal change to embed as we settle into a new way of working, reaching out to new audiences and developing new partnerships. And our external environment will change too – the new Chester theatre is due to open in late 2016, which will impact on our audiences although hopefully as time goes on this will result in a higher cultural profile for the area as a whole. It will directly affect our visiting programme as its larger auditorium draws the bigger productions away.
1.17	During the three years since 2014/15, the theatre has suffered public funding cuts in excess of £500k, whilst maintaining audience levels and a broadly similar level of artistic activity. It remains vital that the theatre Board and Executive work closely together on strategic planning to ensure a resilient business base to avoid compromising artistic and operational ambitions going forward.
1.18	**Section 2 - Developing community involvement**
1.19	Open Doors, 31 October 2015
	This event, which threw open our doors to all with free events throughout the day, attracted over 5,500 visitors, many of them new to TC.
1.20	Community Artists
	The new Artistic Director has been meeting with different community groups and individual local artists to explore how we can create greater links. The numerous community companies that use the theatre have been offered 'slots' across the year (rather than confined to six weeks in the early summer), which has been welcomed by all.
1.21	Fusion: Tackling Poverty Through Culture
	TC partnered with Communities First in Wrexham and with Stiwt to deliver *Behind Slammed Doors*, a project bringing one of our practitioners into a Communities First area to facilitate workshops with mothers and their teenage daughters. These workshops culminated in a script that was then performed by the cast of *Jumpy* before one of the shows and as a separate Picnic Play, with both the Communities First participants and general public attending. It was also the professional writing debut of the practitioner, a local young writer. Andrew Harradine, Lead Officer for Wrexham CBC, wrote, 'I was sat with some of the community members who took part and knowing their backgrounds as I do, it was really positive

	to not just see them in a Theatre in the first place but to laugh and giggle their way through the piece'.
1.22	The Tunnel

The tunnel between the car park and the theatre is now decorated with work by local schoolchildren. To create this work, we have been sending artists into local schools over the course of several weeks and then bringing those involved to the theatre for the formal 'unveiling'. |
| 1.23 | Community and children in our companies

Three of our productions this season will have involved community members on our stages: *All My Sons*, *Cat on a Hot Tin Roof* and *Cyrano de Bergerac*. One set of parents wrote, 'We managed to see the show 5 times and each time it got better. Everyone else who came to see it also said how much they enjoyed it and we will certainly be coming to see more plays at Theatr Clwyd.' |
| 1.24 | Justice in a Day

This award-winning project, funded by Scottish Power, has again performed to local young people across North Wales. One of the PCSOs who attended wrote. 'The staff involved are an absolute credit to the programme and there is no doubt the school children have learnt some very important lessons that will almost certainly filter down to other children at school'. |
| 1.25 | Youth Theatre

We will be relaunching our Youth Theatre in the summer as part of our 40th anniversary celebrations. |
| 1.26 | A Festival for All the Family

We are partnering with Theatr Iolo, a Cardiff-based theatre company, to produce #Clwyd40, a Festival for All the Family that will throw open our doors for three days in the summer with events in every space in the building, as many as possible of which will be free. |
| 1.27 | Community Partnership Scheme

In this, our pilot phase, we have partnered with Flint High School as the "core" of the scheme, which also has a specialist school on campus. The partnership will also extend to the school's four feeder schools, together with the Welsh Medium School in the community and we will also work closely with the Flint West Community First Cluster on reaching the communities where the young people live. |
| 1.28 | Arts from the Armchair

This project, currently in its pilot year, has seen us partner with Betsi Cadwaladr University Health Board – Arts in Health & Wellbeing. Each week, a group of elderly people with short term memory loss have come to the theatre to participate in workshops with different artists across different art forms. |

1.29	Progress our building refurbishment project on to its development stage: Work is taking place on a fundraising strategy for capital development and we are talking with a number of experienced colleagues about how to progress this in order to capitalise on our 40th anniversary celebrations next year. We are also working on a short/medium term programme of work to try out 'rough' versions of proposed changes, both so that we can understand possible strengths and weaknesses and so that our audiences can join us in the journey towards a full capital development project.
1.30	**Section 3 - Developing the commercial approach**
1.31	The commercial development of our function rooms for events and weddings will come on line with the appointment of the necessary staff once the new structure is implemented.
1.32	Our shop has been moved across the foyer so that it is now visible to anyone entering the building and part of the main route from the car park to the theatre. This has enabled us to refresh and redesign the offer and has resulted in increased sales, particularly after performances.
1.33	One of our autumn productions, which we are co-producing with WMC and a commercial producer, will tour commercially following its run in our theatre and TC will receive a royalty from this tour.
1.34	**Section 4 - Theatre Tax Relief**
1.35	The incorporation of a Council-owned subsidiary and approval of our proposed process by HMRC has enabled a tax efficient environment for claims. The first eligible production is *Cat on a Hot Tin Roof* and the first claim will be due in March 2017. Subject to the actual level of eligible production costs this claim should be in the region of £100k.
1.36	**Section 5 - Staff restructure and new house agreement**
1.37	The staff restructure has been finalised that introduces new and enhanced areas of capability and reflects more modern ways of working in the wider UK theatre industry. This has been approved by the Board, agreed with the Trade Unions, presented to the staff and is in the process of being implemented. The guiding design principles for this new structure and house agreement are: • A staffing structure that is fit for purpose. • A 'yes we can' culture: staff who are enthusiastic, knowledgeable, proud and impassioned about the work, front footed and excited by the swiftly changing nature of the arts. • A culture that supports risk taking and innovative, entrepreneurial thinking. A culture that doesn't blame. A holistic and longer-term approach to programming across the whole building. • A theatre that delivers a wider breadth of work to a more diverse audience and that holds an increasingly significant place within the wider arts community.

	• Public spaces that are buzzing throughout the day and evening – a home and a place of pride for the local community and for the wider artistic community.
1.38	Good progress has been made on negotiations with the Unions towards a House Agreement that is affordable, workable, legal and equitable and includes the following elements: • A new pay and grading structure where roles are appropriately and fairly rewarded by UK theatre industry standards, reflecting leading edge practice and ensuring that we are competitive so that we can retain and recruit staff. • A new set of terms and conditions that, when considered "in the round" with competitive basic pay, is affordable, protects jobs and enables the theatre to become sustainable whilst taking into account UK theatre industry practice. • A new annualised flexible working hours' scheme that will develop our capability to resource more effectively, efficiently and affordably and increase opportunities for work life balance and employee engagement. We have worked closely with Unison and have experienced much cooperation and pragmatism throughout these negotiations. The Board have approved where we have got to so far and we shared a draft of the House Agreement with staff on 16th February 2016. In what is a complicated process, we have to balance cost pressures with maintaining the integrity of the organisational structure whilst aiming to protect jobs. These issues become paramount particularly when reviewing terms and conditions and creating a pay structure. Unison will be balloting their members shortly.
1.39	We are also developing other strategies to increase our performance and sustainability such as: • Increased organisational capability (e.g. fundraising). • Flexibility to respond to funding challenges in an agile way, with a core staffing structure enabling more and more varied work with freelance artists and others. • A greater number of revenue streams and increased income plans. • A far-reaching and innovative audience development strategy. • The ability to form relationships with a greater variety of artists across all art forms and the flexibility and dexterity to work with other theatres including through co-productions

2.00	**RESOURCE IMPLICATIONS**
2.01	**Financial Implications** This report details the progress TC has been making on delivery a revised budget that includes reductions from the Council and the Arts Council of Wales.

2.02	**Human Resource Implications**
	Human Resource implications are covered in detail I the staffing section of this report including both the restructure and the house agreement.

3.00	**CONSULTATIONS REQUIRED / CARRIED OUT**
3.01	The TC Board has considered and approved the current business plan.
	Trade Unions and Staff have been involved in detailed consultation about the staff re-structure and house agreement.
	The community will continue to be involved in discussions about TC future programme.

4.00	**RISK MANAGEMENT**
4.01	2016/17 will inevitably be a difficult year for the theatre with much internal change to embed as we settle into a new way of working, reaching out to new audiences and developing new partnerships. And our external environment will change too – the new Chester theatre is due to open in late 2016, which will impact on our audiences although hopefully as time goes on this will result in a higher cultural profile for the area as a whole. It will directly affect our visiting programme as its larger auditorium draws the bigger productions away.

5.00	**APPENDICES**
5.01	None

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	Organisational Change Scrutiny Committee Report 28th September 2015
	Contact Officer: Tamara Harvey, Artistic Director **Telephone:** 01352 701568 **E-mail:** tamara.harvey@flintshire.gov.uk

7.00	**GLOSSARY OF TERMS**
7.01	Arts Council of Wales – The Arts Council of Wales is responsible for funding and developing the arts in Wales. Arts Council of Wales is an independent charity, established by Royal Charter in 1994. Its members are appointed by the Welsh Government's Deputy Minister for Culture, Sport and Tourism.

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Sir y Fflint Flintshire COUNTY COUNCIL

ORGANISATIONAL CHANGE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Tuesday 26th April 2016
Report Subject	Welsh Public Library Standards
Report Author	Chief Officer Organisational Change

EXECUTIVE SUMMARY

The *Public Libraries and Museums Act 1964* makes it a duty of the relevant Welsh Ministers (currently the Deputy Minister for Culture, Sport and Tourism) "*to superintend and promote the improvement of the public library service provided by local authorities…and to secure the proper discharge by local authorities of the functions in relation to libraries conferred upon them as library authorities under this Act*". Under the same Act, library authorities are required to "*provide a comprehensive and efficient library service for all persons desiring to make use thereof*".

Since 2002, the Welsh Ministers have fulfilled this duty through the Welsh Public Library Standards (WPLS, or, the Standards). The first framework ran from 2002 to 2005 with subsequent frameworks covering the periods 2005-08, 2008-11, 2011-14 and 2014-17. Each individual framework evolved to reflect the changing needs and expectations of public library users. In addition to the fulfilment of statutory duties, the WPLS framework plays a valuable role in supporting the development of public library services.

Local authorities also have a statutory duty (under section 7 of the Act) to provide a library service and encourage both adults and children to make full use of that library service. The performance indicators assist the Welsh Government in assessing whether or not local authorities in Wales are complying with their duties under the 1964 Act, and in assessing the comprehensiveness and efficiency, in terms of the manner of delivery, of library services in Wales.

This report details the changing context of the WPLS, our current performance and anticipated future performance.

RECOMMENDATIONS

1	To comment on the changing context for Welsh Public Library Standards and our progress on delivery against the standards.

REPORT DETAILS

1.00	BACKGROUND TO WPLS PERFORMANCE
1.01	There is general consensus among stakeholders concerned with the provision of public library services in Wales that these performance measurement frameworks, introduced and administered by the Welsh Government for the sector, have helped public library services to improve in a number of ways and in key areas. For example, as a result of the Standards, there have been significant improvements in service areas such as the delivery of requests and provision of ICT facilities and services, leading to enhanced outcomes for library customers.
1.02	In recent years there has been a growing feeling that the WPLS do not account for the current budgetary context and the changing methods of service delivery such as Alternative Delivery Models and Community Asset Transfer. Therefore recent national reports about community libraries have helped consider what options there are for communities ot be involved in delivery of services and which types of provision should be included in consideration of the WPLS. So for example in terms of our current and future plans we will include the information about professional library services run in community buildings (planned at Holywell and Broughton) and any Alternative Delivery Model organisation delivering our core library service. However we would not include figures from libraries where the community have taken these on and are providing a community led provision different from a professional library service.
1.03	In 2015 the library service reported on performance for the first year of the fifth framework of Welsh Public Library Standards covering 2014-17. The annual assessment of our performance is attached as Appendix A.
1.04	The Fifth Framework consists of **Core Entitlements** and **Quality Indicators.** These are designed to ensure that library services: • Engage with customers and potential users • Provide opportunities for individual and community development (core entitlements 1,2 & 3) • Are delivered from buildings and facilities which are welcoming, inclusive and fit for purpose (core entitlements 4,5,6 &7) • Provide a range of resources and services to meet people's needs (core entitlements 8,9,10,11,12 & 13) • Are professionally managed with adequate resources (core entitlements 14, 15, 16, 17 & 18) There are 23 Quality Indicators. Not all are measured by a target, and authorities are required to report on data collected from user surveys, feedback, sampling and to use Performance Indicators such as visitor numbers, attendance at events and level of ICT use.
1.05	In 2014-15 Flintshire met 17 of the 18 core entitlements in full, and

	partially met 1. This was due to the fact that not all the libraries provided WIFI at that time. Of the 7 quality indicators which have targets Flintshire achieved 2 in full and 5 in part.

1.06	For those Quality Indicators where a target is set, Flintshire fully met the following in 2014-15:
	    QI 5. Location of service points
	    QI 16. Opening hours (no less than 120 per week should be provided per 1,000 resident population

1.07	Flintshire partially met the following, in 2014-15:
	    QI 3 Individual development
	    QI 8. Number of items acquired per 1000 resident population
	    QI 9. a) percentage of material budget spent on resources for children.
	    b) minimum of 4% of materials budget to be spent on Welsh language materials.
	    QI 10 Online access
	    QI 13 Staffing

1.08	The remaining indicators do not have targets but allow performance to be compared between authorities. This information is provided at Appendix A. Flintshire's rankings fall within the median range.
1.09	Predicted performance for 2015-16 is that Flintshire will meet 17 of the 18 core entitlements in full, and partially meet 1. This was due to the fact that not all the libraries provided WIFI. WIFI will be provided in all libraries for 2016-17.

1.10	For those Quality Indicators where a target is set, performance in Flintshire is expected to fully meet the following in 2015-16:
	    QI 5. Location of service points
	    QI 8. Number of items acquired per 1000 resident population

1.11	Flintshire is expected to partially meet the following in 2015-16:
	    QI 3 Individual development
	    QI 9. a) percentage of material budget spent on resources for children.
	    b) minimum of 4% of materials budget to be spent on Welsh language materials.
	    Flintshire will exceed the indicator for spending on materials for children. This is seen as not achieving the target.
	    QI 10 Online access
	    QI 13 Staffing

1.12	Flintshire will not meet the following in 2015-16 QI 16. Opening hours (no less than 120 per week should be provided per 1,000 resident population This will be fully met for 2016-17 as Deeside Library opened in March 2016 and the opening hours of this library ensure that we fully meet requirements for this quality indicator.
1.13	In conclusion Flintshire's performance against the standards is good. A slight drop in performance was seen in 2015/16 when budget savings have been made through service efficiencies. Performance will improve in 2016-

	17 when bigger changes to the network have been fully implemented e.g. re-location of libraries and community asset transfers. The medium term business plan for libraries took WPLS into account when proposals for efficiencies were made and current level of performance should be maintained and possibly improved.

2.00	RESOURCE IMPLICATIONS
2.01	**Financial Implications** There are no financial implications indicated for the improvement of performance against WPLS. Changes proposed to the library network in 2015-16 and 2016-17 as part of the Libraries MTF Business Plan, once completed, should not adversely affect the performance. This is because funding will be in place to provide sufficient hub libraries, open for sufficient hours and with enough budget for purchasing resources.
2.02	**Human Resource Implications** Flintshire have been unable to fully meet staffing requirements and this is expected to continue as staffing per capita and professional staffing per capita is well below the standard. Currently the head of service is qualified and trained to the required standard. This should be ensured when the proposed structure for any Alternative Delivery Model (ADM) is planned. Staff training requirements have been met and this should also be considered in plans for an ADM. The quality indicator for supporting individual development is only partially met and this is due to low staff capacity which does not allow for staff to provide formal skills training sessions at all the libraries. The service relies on partnership arrangements for this provision, and this is only in place at some hub libraries.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The return for 2014-15 was approved by the portfolio member in June 2015.

4.00	RISK MANAGEMENT
4.01	Key Risks and Mitigation: 1. Lack of qualifications, training and staff development – these should be incorporated into any plans for an ADM. 2. Reducing performance against WPLS – the Medium Term Libraries Plan ensures the service can achieve what is realistically possible within the current budgetary constraints.

5.00	APPENDICES
5.01	Appendix A – Welsh Public Library Standards 2014-17. Flintshire County Council. Annual Assessment Report 2014-15.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	*Guidance on Community Managed Libraries and the Statutory Provision of Public Library Services in Wales.* *http://gov.wales/about/cabinet/cabinetstatements/2015/libraries/?lang=en* *Libraries making a difference: the fifth quality framework of Welsh Public Library standards 2014-17* ***http://wales.gov.uk/docs/drah/publications/140425wpls5en.pdf*** **Contact Officer:** Pennie Corbett, Principal Librarian **Telephone:** 01352 704402 **E-mail:** pennie.corbett@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Welsh Public Library Standards - The performance indicators that assist the Welsh Government in assessing whether or not local authorities in Wales are complying with their duties under the 1964 Act, and in assessing the comprehensiveness and efficiency, in terms of the manner of delivery, of library services in Wales.
7.02	Alternative Delivery Model (ADM) - A different way of providing the service ranging from shared service through to a social organisation through to external procurement.
7.03	Community Asset Transfer (CAT) – The transfer of a community asset to a community or social organisation on the basis of a 27 year lease and peppercorn rent.

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Welsh Public Library Standards 2014-17

Flintshire County Council

Annual Assessment Report 2014-15

This report has been prepared based on information provided in Flintshire's annual return, case studies and narrative report submitted to Museums, Archives and Libraries Division of the Welsh Government.

Flintshire's return was approved by the Cabinet/Executive, on 26 June 2015.

1) Executive summary

Flintshire met 17 of the 18 core entitlements in full, and partially met 1.

Of the 7 quality indicators which have targets, Flintshire achieved 2 in full and 5 in part.

More analysis in the return of areas of weaker performance would be beneficial and help provide context. The service has suffered from budget reductions and is now missing a substantial number of targets. Future progress could be static. However there are areas of strength, such as the request service and percentage of resources on materials.

- Flintshire carried out an impact survey in November 2014. 92% of children thought that the library helped them to learn and find things out; 81% of adults and 69% of children felt that the library made a difference to their lives. Four impact case studies described a variety of events for both adults and children, with some direct evidence of impact, although this could be better articulated.

- Flintshire carried out a customer survey in November 2014, and achieved high levels of overall satisfaction, with 99% of adults rating the service as 'good' or very good' and children giving a 10 out 10 rating for the library that they use – the best scores obtained by any authority surveying this year. Ratings on individual elements of the service compare less favourably to other authorities, however. Provision of training across the service is somewhat limited, and this is reflected in low attendance figures.

- Flintshire meets the target for access to service points, but usage indicators have fallen compared to last year. The fall in the number of virtual visits and audio visual loans are of particular concern, with virtual visits the third lowest in Wales.

- Flintshire has prioritised materials for children in its acquisitions policy, and did not meet the target of the overall level of acquisitions. ICT provision is also limited, particularly in the area of Wi-Fi access for the public. Poor internet reception in some areas of the authority contributes to this. The low levels of ICT provision, and training offered, are a cause for some concern.

- Staffing levels do not meet the targets set, although there is appropriate investment in staff training. Only 3 authorities reported having fewer professionally qualified staff per capita. Flintshire did not use any volunteers during the year. Expenditure figures are not directly comparable to 2013-14 owing to different treatment of central services support costs. The average cost per visit was £2.48, below the median for Wales as a whole.

- Compared to the rest of Wales, Flintshire performs relatively poorly in the broad area of *Customers and communities*, despite high overall satisfaction levels, and in

Leadership and development. In the broad areas of *Learning for life* and *Access for all*, some indicators show good performance, whilst others are somewhat poorer.

• As in previous reports, staffing levels remain an area of concern.

2) Performance against the standards

The standards framework comprises of core entitlements, quality indicators with targets, quality indicators with benchmarks and impact measures. Section 2 summarises achievements against the core entitlements, the quality indicators which have targets, the quality indicators showing performance against others, and impact measures. A narrative assessment of the authority's performance is made in Section 3.

a) Core entitlements

Flintshire is meeting 17 of the 18 core entitlements in full, and partially meeting 1. The area in which it fails to fully meet the core entitlements is *Learning for Life*; at present Flintshire is only able to provide Wi-Fi in 5 service points, although plans are in place to extend provision to all.

b) Quality indicators with targets

There are 16 quality indicators (QI) within the framework. Of the 7 which have targets, Flintshire is achieving 2 in full and 5 in part:

Quality Indicator	Met?	
QI 3 Individual development:		Partially met
a) ICT support	✔	
b) Skills training	✘	
c) Information literacy	✘	
d) E-government support	✔	
e) Reader development	✔	
QI 5 Location of service points	✔	Met in full
QI 8 Up-to-date reading material:		Partially met
a) Acquisitions per capita	✘	
or Materials spend per capita	✘	
b) Replenishment rate	✔	
QI 9 Appropriate reading material:		Partially met
a) % of material budget on children	✘	
b) % of material budget spent on Welsh	✔	
or Spend on Welsh per capita	✘	
QI 10 Online access:		Partially met
a) All service points	✘	
Computers per capita	✔	
b) Wi-Fi provision	✘	
QI 13 Staffing levels and qualifications:		Partially met
a) Staff per capita	✘	
b) Professional staff per capita	✘	
c) Head of service qualification/training	✔	
d) CPD percentage	✔	

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Quality Indicator	Met?	
QI 16 Opening hours per capita	✔	Met in full

c) Impact measures

The framework contains three indicators which seek to gather evidence of the impact that using the library service has on people's lives. Through these and other indicators it is possible to see how the library service is contributing towards educational, social, economic and health and wellbeing local and national agendas. These indicators do not have targets. Not all authorities collected data for the impact indicators, and ranks are included out of the numbers of respondents stated, where 1 is the highest scoring authority.

Performance indicator	Flintshire	*Rank*	Lowest	Median	Highest
QI 1 Making a difference					
b) % of children who think that the library helps them learn and find things out:	92%	*5 / 7*	63%	93%	95%
e) % of adults who think that the library has made a difference to their lives:	81%	*6 / 7*	73%	87%	92%
% of children who think that the library has made a difference to their lives:	69%	*5 / 6*	43%	79%	90%
QI 4 b) % of attendees of training sessions who said that the training had helped them achieve their goals:	n/k		65%	93%	100%

Flintshire carried out an impact survey in November 2014. The authority described 4 impact case studies:

- a range of activities offered as part of a Summer Wellbeing Week, which were received with enthusiasm by participants;

- Going Batty Day – a Halloween themed event for children which has encouraged children to read more and brought new families into the library;

- a series of Shakespeare workshops which received positive feedback from participants, some of whom now wish to take this new interest further; and

- a description of class visits in the second year of the Every Child A Library Member project.

d) Quality performance indicators and benchmarks

The remaining indicators do not have targets, but allow performance to be compared between authorities. The following table summarises Flintshire's position for 2014-15. Ranks are included out of 22, where 1 is the highest, and 22 the lowest scoring authority, unless stated otherwise. (Indicators where fewer than 22 authorities supplied data are obtained from customer surveys which only need to be carried out once during the three year framework period, or those where relevant data elements were not available to some authorities.)

Performance indicator	Flintshire	*Rank*	Lowest	Median	Highest
QI 1 Making a difference					
a) new skills	64%	*6 / 9*	55%	72%	93%
c) health and well-being	46%	*6 / 9*	29%	58%	91%
d) enjoyable, safe and inclusive	94%	*6 / 7*	84%	97%	98%

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Performance indicator	Flintshire	*Rank*	Lowest	Median	Highest
QI 2 Customer satisfaction					
a) 'very good' or 'good' choice of books	89%	*5 / 10*	82%	89%	97%
b) 'very good' or 'good' customer care	96%	*7 / 10*	93%	98%	99%
c) 'very good' or 'good' overall;	99%	*1 / 10*	94%	96%	99%
d) child rating out of ten	9.4	*1 / 9*	8.0	9.2	9.4
QI 4 User training					
a) attendances per capita	5	*21*	2	24	278
c) informal training per capita	n/k		16	162	484
QI 6 Library use					
a) visits per capita	4,317	*10*	2,637	4,177	5,955
b) virtual visits per capita	403	*20*	212	923	2,449
c) active borrowers per capita	122	*17*	71	155	288
QI 7 attendances at events per capita	152	*14*	21	192	464
QI 11 Use of ICT - % of available time used by the public					
a) equipment	28%	*19*	23%	36%	70%
b) Wi-Fi services	n/k		4%	37%	74%
QI 12 Supply of requests					
a) % available within 7 days	75%	*6*	62%	69%	81%
b) % available within 15 days	88%	*5*	74%	84%	94%
QI 13 Staffing levels and qualifications					
(v) a) total volunteers	0	*17*	0	14	74
b) total volunteer hours	0	*17*	0	527	2696
QI 14 Operational expenditure					
a) total expenditure per capita	£11,695	*19*	£8,966	£14,054	£20,796
b) % on staff,	60%	*9*	45%	57%	77%
% on information resources	16%	*5*	5%	13%	21%
% on equipment and buildings	16%	*4*	0%	4%	27%
% on other operational costs;	7%	*20*	4%	22%	37%
c) capital expenditure per capita	£0	*16*	£0	£266	£2,126
QI 15 Cost per visit	£2.48	*15*	£2.07	£2.87	£3.92
QI 16 Opening hours *(see note)*					
(ii) a) % hours unplanned closure of static service points	0.10%	*16*	0.0%	0.02%	0.52%
b) % mobile stops / home deliveries missed	0.42%	*11 / 19*	0.0%	0.4%	5.4%

Note: Rankings here have been reversed, so that 1 is the lowest scoring authority.

3) Analysis of performance

The core entitlements and quality indicators are divided into four key areas. This section of the report outlines performance against the quality indicators within these four areas.

a) Customers and communities

Flintshire carried out a customer survey in November 2014. Performance is mixed, with several ratings below the median of those authorities conducting a survey this year, although 99% of adults in Flintshire view the library as 'good' or 'very good' overall – the highest level achieved. This perception is echoed by the young people surveyed, who gave the library a remarkable 10 out 10 rating, again the highest achieved amongst those surveying this year.

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There has been a slight improvement in the number of libraries offering services in support of individual development, although training sessions to improve literacy, numeracy, and digital skills, and information literacy, were only available in 4 of the authority's 12 service points open for 10 hours or more per week. This low level of provision is reflected in the low numbers of attendances at formal training sessions – only one authority reports fewer. Flintshire did not record the number of people helped informally, but estimates this at around 10,000 for the year, 65 per 1,000 population.

b) Access for all

Flintshire meets the target for easy access to service points, and although visits per capita have fallen slightly compared to 2013-14 they remain above the median for Wales as a whole. The total number of external visits to the library's web site has also fallen, as has the number of active borrowers, although this figure does not include those who use only electronic resources. The fall in virtual visits is of particular concern, and only two authorities reported fewer virtual visits per capita this year.

c) Learning for life

Flintshire has not met the target for overall levels of acquisitions, although the replenishment rate of lending stock is above the target. The authority prioritised material for children during 2014-15, spending 34% of the budget compared to 27% of the population. The target for the percentage of spending on material in the Welsh language has been met, and spending per capita falls only just short of the target level, at £746 per person able to read Welsh, compared to a target of £750. There is one small library, open for less than 10 hours per week, which does not provide ICT facilities, and these facilities are also not available on the mobile library. Issues with poor internet reception contribute to this. There has been a small increase in the percentage of time for which public access ICT is used compared to 2013-14; this remains below the median for Wales as a whole. Only 5 libraries offer public access Wi-Fi; further investment is required to extend this service. Use of the Wi-Fi network is not recorded. There has been a slight fall in the proportion of requests met within 7 days, but a slight increase in the proportion met within 15 days; both figures are above the medians for Wales.

d) Leadership and development

Staffing has been reduced compared to 2013-14, and Flintshire fails to meet the targets for staffing levels overall and for professional staff. The head of the service is a Chartered Librarian. Flintshire meets the target for staff training, and provides a range of opportunities, including support and mentoring towards qualifications. Flintshire did not use any volunteers during the year, but plans to start doing so in 2015-16 to support programmes such as the Summer Reading Challenge.

Flintshire appears to have suffered a substantial cut to its budget in 2014-15, of close to 25%; however, this year's figure does not include central services support costs which were included in 2013-14, and represented 11% of the total that year, making direct comparison difficult. Total expenditure per capita is below the median for Wales. The average cost per visit in 2014-15 was £2.48, also below the median.

Opening hours have been maintained during the year, and meet the target set. The authority notes that housebound visits are re-scheduled when missed. One library was closed during the winter for emergency heating repairs.

4) Strategic context

Flintshire library service contributes to a number of Welsh government priorities and strategic goals, delivered in part through programmes of events. Partnership working is also central to supporting communities and learners. Health and wellbeing activities include a variety of programmes focussed on children, as well as reading groups, author visits and the Books on Prescription and Expert Patient Programme resources.

5) Conclusion

More analysis in the return of areas of weaker performance would be beneficial and help provide context. The service has suffered from budget reductions and is now missing a substantial number of targets. Future progress could be static. However there are areas of strength, such as the request service and percentage of resources on materials.

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ORGANISATIONAL CHANGE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Tuesday 26th April 2016
Report Subject	Alternative Delivery Models – The National Context
Report Author	Chief Officer Organisational Change

EXECUTIVE SUMMARY

In February scrutiny committee considered business plan proposals for individual Council services considering Alternative Delivery Models.

This report provides a summary of the national position in relation to Alternative Delivery Models covering the report commissioned by Welsh Government and published last year "Is the Feeling Mutual?" and the follow up consultation on an Action Plan for Alternative Delivery Models.

In summary the national direction of travel is in line with the approach we are taking as a Council. Early publication and implementation of a national action plan would provide further support and funding to enable our local development of Alternative Delivery Models.

The report is intended both to help increase awareness on the national policy context and enable scrutiny committee to comment on the national direction of travel.

RECOMMENDATIONS	
1	To consider the national policy context for Alternative Delivery Models and provide any comments on emerging proposals from Welsh Government.

REPORT DETAILS

1.00	**THE NATIONAL CONTEXT**
1.01	Alternative Delivery Models (ADM) policy has been shaped at a Welsh Government level by two ministers. The Minister for Science, Economy

	and Transport who has the lead for economic development including policy relating to the social enterprise and co-operatives sectors of the Welsh Economy. Secondly the Minister for Public Services who has led policy development into considering the role of Alternative Delivery Models in the delivery of Public Services.
1.02	The aim of the 'Is the Feeling Mutual?' (ITFM) report of 2015 was to join up policy thinking across the two areas with the ability then to produce an action plan for supporting Alternative Delivery Model development across Wales.
1.03	The ITFM report attached at Appendix A outlines a framework for how ADMs might be developed that could be potentially supported by a range of key partners including: • Local Authorities • Workers and Trade Unions • Town and Community Councils • Registered Social landlords • The Third Sector • Citizens and Communities • Worker and User Mutuals • Public Sector Agency Workers
1.04	The scope of the report fits with our definition of Alternative Delivery Models including covering Community Asset Transfers.
1.05	The introduction of the report makes it clear that the pursuit of viable, sustainable models of delivery that put citizen power and democratic accountability at their heart are now the essential rather than optional way forward in Wales, to sustain services and jobs.
1.06	To achieve this it sets out a number of actions that are required including: (1) The engagement and support of key national and local partners including all those identified at 1.03; (2) Securing and sustaining high level commitment across Welsh Government; (3) A national framework with the support locally delivered; (4) Ensuring generic development support is available to citizens and partners to be flexibly applied in relation to local circumstances; (5) Providing specialist and technical support, for example, on governance or business planning can be drawn down as required; (6) Maximum use of the expertise of third sector organisations such as RSLs; (7) Sharing of best practice across organisations involved in ADM development; (8) Ensuring that there is a properly resourced framework in place to support successful and sustainable implementation.
1.07	As a response the Welsh Government then produced 'Alternative delivery models in public service delivery - An action plan for consultation'. This is specific and for the first time proposes an action plan and a national

	support package. It covers the following three areas of action: (1) Clearing the way – removing barriers and creating an enabling environment for ADM development; (2) Specific support – specific support to ensure effective consideration of ADMs (3) Asks and offers – the contribution key partners will need to make to enabling the development of sustainable ADMs
1.08	Practically if implemented the difference and benefit for Flintshire that implementation of this action plan would make is as follows: • Specific legal issues relating to areas such as procurement, human resource issues would be considered nationally to ensure interpretation of these issues is not a barrier to ADM development; • A flexible funding programme will be established to support local authorities developing ADM proposals; • A national training, skills developing and mentoring programme will be put in place to support ADM development; • All partners nationally will be encouraged to consider the role of ADMs in public service delivery; • Business support programmes and funding will support the social sector to be ready to deliver such projects as asset transfer and wider ADM delivery.
1.09	Our consultation response as a Council encouraged quick implementation of this action plan in a positive way. Since the consultation period for this action plan closed in January Welsh Government have published consultation results and are doing work on procuring a support package that would enable Local Authorities to deliver ADMs. As a Council we are part of the national working group informing this development. However announcements and publication, if they happen, of an overall national action plan to support ADM development will be after current elections.
1.10	In conclusion national development around ADM policy fits with our current approach. If the action plan is published and implemented it will support our current development of ADMs including providing support funding and training. It would potentially enable us to grow and quicken our development of ADMs in the future if this is the approach we decide to take as a Council.

2.00	**RESOURCE IMPLICATIONS**
2.01	**Financial Implications** None
2.02	**Human Resource Implications** None

3.00	**CONSULTATIONS REQUIRED / CARRIED OUT**
3.01	Consultation with members, staff, and unions if and when a national action plan for Alternative Delivery Models is published.

4.00	**RISK MANAGEMENT**
4.01	Risks and mitigating action as follows 1. A national ADM action plan is never published – The Council continues to develop ADM proposals that are realistic and deliverable as previously, without a well developed national support programme, but this will take longer to implement and will be smaller in scale. 2. The action plan does not provide the necessary support we think is required for this work – Continued lobbying to ensure the support programme is relevant to Flintshire.

5.00	**APPENDICES**
5.01	Appendix A – 'Is the Feeling Mutual?' national report Appendix B – 'Alternative delivery models in public service delivery: An action plan for consultation'

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	**Contact Officers:** Ian Bancroft / Neal Cockerton **Telephone:** 01352 704511 **E-mail:** ian.bancroft@flintshire.gov.uk / neal.cockerton@flintshire.gov.uk

7.00	**GLOSSARY OF TERMS**
7.01	Alternative Delivery Model – A different way of providing the service ranging from shared service through to a social organisation through to external procurement.
7.02	Transfer of Undertakings Protection of Employment Regulations (TUPE) – Employees transfer automatically to the new organisation with their terms and conditions of employment and continuity of service preserved.
7.03	TECKAL – Company that is wholly owned by the Local Authority that has the ability to trade to a limited degree with other agencies.
7.04	Mutual – A company or society that is owned by and / or provides specific benefits for its staff.
7.05	Social Enterprise – A company or society that re-invests it's traded profits

	in its social purpose.
7.06	Community Asset Transfer (CAT) – the transfer of a community asset to a community or social organisation on the basis of a 27 year lease and peppercorn rent.

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IS THE FEELING MUTUAL?

New Ways of Designing and Delivering Public Services in Wales

Contents

1. INTRODUCTION

> *'There is a co-operatives zeitgeist internationally and Wales is very well placed'*
>
> **Pat Conaty**

The Minister for Economy Science and Transport and the Minister for Public Services jointly commissioned this work into the scope for potential mutual models in public service delivery. It was clear from the outset that this approach has growing support particularly as an alternative to privatisation, redundancies or service closure. But, as I hope this report will help demonstrate, there are also other positive reasons to embrace models that improve the relationship with citizens and the quality of services.

The report is based on a series of interviews with local authority leaders, representatives of national bodies and other experts in the field as well as research into current and emerging practice. I am extremely grateful to everyone for generously giving their time and support although I bear full and final responsibility for the report's contents.

I have been primarily concerned with local authority services, the workers who deliver them and the communities that rely on them. I have also touched on the growing number of examples of councils working with other public bodies including the health service as well as voluntary sector partners on innovative delivery models.

The public service landscape is already pluralistic and increasingly so. Take local leisure centres as an example. A few years ago the vast majority would have been council owned and run. Today a growing number are managed by or have even transferred to a range of organisations that includes arms-length bodies, local community trusts, user and staff mutuals, third sector specialist providers, private contractors as well as, albeit in a dwindling number of instances, local authorities themselves. Given the scale and pace of change, it was little wonder that a council leader told me that, in their view, the local authority owned and run leisure centre will eventually become an extinct species in Wales.

This one service area may not be typical but I have discovered that the challenges and responses to them are common. Whichever service is being reviewed, whatever the model being considered, long term viability, the terms and conditions of workers and accountability to the community have arisen as major issues to be addressed.

This report is underpinned by the work of Professor Andrew Davies *Co-operative and Mutuals Commission* and the ideas outlined in the White Paper *Reforming Local Government: Power to Local People.* These are two more examples of a quest for new approaches that is pretty much across government and also includes social care, housing and tackling poverty. The common thread is the desire to ensure that future service delivery is both citizen centred and democratically accountable to local

communities including through co-operatives, mutuals, social enterprises and other not-for-profits.

In this report I have chosen to use the term *alternative delivery models* (ADMs) to describe these collectively but have also widened the scope to include charities and other voluntary sector organisations, and so anything that is not public or private sector potentially falls within this definition. It applies to big and small organisations that in either case may be new or long established. I have also chosen to use the term *transformation* specifically to describe the changes ADMs are bringing to public services because they don't just involve a transactional change of ownership. I also want to stress that when I use the term I am not referring to the wider process of local government reform instigated by the *Williams Commission* report and the publication of the White Paper.

The intention is not to repeat the comprehensive work of the Co-operatives and Mutuals Commission, now reconvened by the Minister to review the report and recommendations. I have however worked very closely with and have drawn on the knowledge and expertise of Hywel Evans who is undertaking the review to ensure that there is a consistent approach across two projects that are clearly interlinked.

Everyone agrees on the scale of the financial and other challenges ahead and that there are risks in any new approaches – from business failure to loss of democratic accountability. But there is unanimity too that standing still is not an option, indeed that inaction could result in the worst outcome of all – disappearing services leading to large scale redundancies, citizens unable to meet their essential needs and increasing community frustration and anger. The recent general election campaign and result gave little comfort to the many people who like me argued for increased spending on local government services. It does mean however that the pursuit of viable, sustainable models of delivery that put citizen power and democratic accountability at their heart are now the essential rather than optional way forward in Wales.

Keith Edwards

May 2015

2. EXECUTIVE SUMMARY

Local Authorities

Continuing austerity and increasing demand for services due to demographic changes have meant that innovative Alternative Delivery Models (ADMs) are increasingly seen as the best way to avoid closing or privatising services.

From the WLGA perspective whilst there is recognition that ADMs are being developed in many areas, there will always be 'red lines' where direct public provision should be the norm especially in relation to many statutory services.

In many other areas – Leisure, Libraries and Housing for example – ADMs have been or are being developed and the trend is increasing.

The opportunity exists for local authorities to combine to create mutual organisations, for example, to provide translation services, procurement support and community library services support.

Many local authorities have been developing their own transformational strategies for some time.

There is an overwhelming desire to ensure that public service reform is sustainable this time and a weariness with 'initiativitis' based on previous experience.

Knowledge transfer and sharing of practice between authorities is not very well developed although there are some good examples of individual authorities taking the initiative.

A number of authorities are taking a 'whole council' approach with clear strategic direction helping to avoid dealing with transformation in a piecemeal way.

Many councils are cautious about having unrealistic expectations of the timescales needed to build capacity of partners and communities but equally they are aware that they will need community support to achieve transformation.

Workers and Trade Unions

At a national level the trade unions remain largely unconvinced that ADMs offer a viable and sustainable alternative to direct public provision of services.

At a local level workers and their trade union representatives although opposed to transfer of services often take a pragmatic approach where they recognise that it may not be sustainable to retain all current services 'in house'.

Unions have expressed concern that local representatives are not receiving sufficient support from employers to fully engage in options appraisals from the outset.

There is interest from unions in options to 'insource' services to mutuals from the private sector.

Trade unions could play a leading role in exploring the viability of agency worker co-operatives for nursing, social care and teaching.

Unions have concerns about terms and conditions including trade union recognition, pensions and establishing a 'two tier' workforce.

Town and Community Councils

The potential exists for the 730 Town and Community Councils (T&CCs) to play an increasing role in taking over assets and services on behalf of the community.

Many T&CCs are already involved in local service transformation helping to secure community accountability and contributing some limited financial resources.

A strong message of the value and potential Welsh Government sees in T&CCs would help speed up the process of them playing a leading role in transformation.

Registered Social Landlords

Registered Social landlords (RSLs) have a long track record of delivering 'housing plus' initiatives in partnership with their local authority or other public bodies.

Stock transfer organisations offer particular lessons for the development of ADMs because they successfully achieved transformation on a massive scale and won the support of workers and tenants in the process.

The RSL sector largely welcomes the prospect of increased partnership working on the transformation agenda provided boards are convinced that proposals are consistent with their values and objectives and that risks are manageable.

The Third Sector

The Wales Council for Voluntary Action (WCVA), as the sector representative body, has a strong pedigree when it comes to promoting and supporting volunteering in partnership with its extensive membership that include charities and social enterprises.

Local County Voluntary Councils are themselves under financial pressure as their income from projects and local authorities has decreased but could play an increasing role in community engagement if adequately resourced.

A number of larger voluntary organisations already deliver services that in many cases complement those provided by the public sector or involve extensive partnership working.

Citizens and Communities

If greater citizen involvement is to succeed, there will need to be more sharing of power and responsibility between Local Authorities and the communities they serve.

Every authority has provided information to citizens on the financial challenges faced and the possible impact on services. A variety of means have been deployed

including dedicated web pages, newsletters, public meetings, roadshows and the use of social media.

Many authorities are taking a more proactive approach to encouraging communities to help set service priorities as well as considering setting up and running ADMs. Support has been provided through in-house community engagement teams or by commissioning external partners.

Worker and User Mutuals

Wales is leading the way in encouraging and supporting the development of social care co-operatives, mutual and social enterprises in through the provisions of the Social Services and Wellbeing Act.

Although progress has been limited to date the direction of travel is clear and distinct from the approach being taken in England.

Public Sector Agency Workers

Although the potential to develop supply teaching, nursing and social care co-operatives as an alternative to private provision has been recognised by Welsh Government and others, further work is needed to explore whether viable and sustainable ADMs can be established.

Achieving Transformation

Welsh Government needs to collectively embrace transformation and set out a long term vision. This will need to be supported by a full range of interventions including legislation, expert advice, regulation, guidance, practical resources, funding, co-operative education, support for innovation and developing partnership protocols.

There needs to be a comprehensive framework for transformation that includes high level and renewed partnership between Welsh Government and partners based on shared values and specific 'asks' and 'offers'.

With unprecedented pressures on budgets, securing resources to support transformation has to start by considering what can be achieved through bending or top slicing existing programmes and the resources of partners.

The scale of the challenges mean that new resources, both financial and in terms of expertise to support transformation, will also have to be found by Welsh Government, local authorities and from other sources.

Mutual and other democratic models often take considerable time to develop to maturity and are best launched off a 'slowly burning platform'. This may not sit well with the pressure to scale up at pace, but there a number of initiatives that can help to address this tension.

There are opportunities to instil in the existing not-for-profit sector a greater sense of responsibility for supporting the growth of new organisations consistent with International Co-operative Principle 6 that 'Co-ops should help other Co-ops'.

As well as seeking a commitment for partners to sign up to the principle, simple guidance could be produced on how to put this into practice.

Sharing Innovative Practice

Wales could become a 'Co-operative Country' and attract interest and support from a variety of think tanks and support organisations to further develop the principles and practices.

Local authorities should increasingly be learning organisations and good practice needs to be scaled up at a far greater pace.

The range of innovative practice is extensive and growing wider and there are some areas that a number of authorities and partners have experience in that offer clear opportunities for learning and early replication.

3. SETTING THE SCENE

'*Councillor Aneurin Bevan and his colleagues sought to put in place co-operative health solutions for their local community. The records are a reminder that at its best, local government in Wales has always had an activist nature, engaging co-operatively with local communities to find collective solutions*'

Reforming Local Government: Power to Local People

According to the white paper *Reforming Local Government: Power to Local People* there is an 'historic' opportunity emerging in Wales for mutualism, co-operation and social enterprises in the transformation of public services. A number of things are coming together at the same time to support this view – the renewed momentum behind the *Wales Co-operative and Mutuals Commission*, the provisions of the *Social Care and Well Being Act*, specific initiatives such as the Co-operative Housing project – and of course the white paper itself. The provisions of *Well-being of Future Generations (Wales) Act*, enabling Local Government to determine with local people the bulk of local priorities, will also have a major impact. It is reasonable to conclude that developing ADMs is becoming a common means of transforming the way we do things across Government rather than a niche and siloed activity.

Continuing austerity and increasing demand for services due to demographic changes have meant that ADMs are increasingly seen by authorities themselves as the best way to avoid closing or privatising services. As a result there are a number of fundamental points of agreement between Welsh Government and local government:

- There is a very little support for further privatisation of public services;

- Given the scale and long term nature of the challenge to public services, 'business as usual' is not an option;

- There is a growing willingness to explore a full range of not-for-profit models as long as they are accountable to local people;

- There is an overwhelming desire to ensure that reform is truly sustainable this time – there is a weariness with 'initiativitis' based on previous public service reform false dawns;

- There is a strong desire to protect employee terms and conditions and ensure trades union recognition;

- There is recognition of the need for a properly resourced framework to support successful and sustainable implementation.

4. CHANGE PARTNERS

Successful transformation will be impossible without the engagement and support of key national and local partners.

3.1 Local Government

> '*This is not an easy time for anyone in local government, whether they are councillors or council workers. It is therefore critical that we … focus on key priorities and learn from the best practice – tried and trusted as well as innovative'*
>
> **Reforming Local Government: Power to Local People**

The White Paper *Reforming Local Government: Power to Local People* is clear that control over public services will continue to be democratically led with the public sector itself the 'primary deliverer'. However there is widespread recognition that simply delivering services as we always have done is unsustainable, given that local authorities face the 'double whammy' of progressively less funding and increasing demand driven by demographic changes. It is no surprise therefore that, well in advance of the White Paper, many authorities were developing their own transformational strategies apace.

A key aim of the project was to find out the views of local authority leaders and senior officers on opportunities for new ways of delivering services by ADMs. There was also a focus on identifying the main barriers to this approach, the support and resources needed to take this forward and potential partner organisations that could assist or work jointly on any initiatives.

The interviews with leaders confirmed that there is universal awareness of both scale of the challenges and the need to review and remodel many services, usually with both service-user engagement and increased community involvement. As a consequence there is evidence of a range of approaches and initiatives already happening across Wales

From the WLGA perspective whilst there is recognition that ADMs are being developed in many areas, there will always be 'red lines' where direct public provision should always be the norm especially in relation to many statutory services. In many other areas – Leisure, Libraries and Housing for example – ADMs have been or are being developed and the trend is increasing.

The opportunity for local authorities to combine – regionally, by specialism or through WLGA – to create mutual organisations has been raised a number of times, for example, to provide translation services, procurement support and community library services support.

At a local authority level an extensive range of approaches and initiatives are being considered and increasingly developed and in the words of one leader apart, from

privatisation, 'everything else is on the table'. Some authorities have mapped the range of governance and service delivery models they are considering and this includes:

- *Whole Authority transformation* including challenging all current service provision models or creating one 'super department' for non-statutory services;

- *Partnering and Collaboration* such as the 'school to school' model under the Schools Challenge;

- *Shared Services* for example, combining housing strategy or procurement functions across neighbouring authorities;

- *Trading Companies* such as affordable housing development initiatives;

- *Arms Length Management Organisations* in relation to leisure centres for example;

- *Community Interest Companies* such as local service delivery boards;

- *Mutuals and Co-operatives* such as the co-operative housing project or in relation to adult social care;

- *Place-based Community Governance* such as Town Teams;

- *Asset Transfers* as with housing stock transfer and more recently in a range of community facilities.

'Let's not try to solve the same problem twenty two times'

Local Authority Leader

Many authorities have ring-fenced resources to support transformation including running publicity campaigns, establishing dedicated posts and making transitional funding available which communities can directly access. In a number of instances processes are being streamlined, recognising that local people often need rapid access to support and advice to make sure opportunities are not lost and to keep the momentum going. The critical issue is that, even in times of severe financial pressure – perhaps especially so - there is a need to identify additional resources both financial and in terms of expertise, to support transformation.

Knowledge transfer and sharing of practice between authorities is not very well developed although there are some good examples of individual authorities taking

the initiative with a number joining established networks, or developing their own practice 'twinning' relationships, including with English councils.

There are a number of specific areas on which local government leaders have suggested that Welsh Government could support the delivery of transformation:

- Sending a positive message on the current and emerging role of authorities in service transformation;

- Defining and jointly resourcing a framework to support transformation;

- Issuing guidance to underpin a national approach to workforce issues such as TUPE and pensions;

- Developing national 'branding' for the transformation programme to capture the imagination and ensure engagement of the public;

- Reviewing and streamlining funding and support processes and producing guidance on what is available;

- Minimising bureaucracy and red tape;

- Producing guidance and providing support on procurement and ADMs;

- Providing resources for any additional duties through legislation;

- Freeing up councils from legal barriers to trading and recycling surpluses into services;

- Exploring opportunities for fiscal and other incentives.

> **'*I'm not in politics to cut and shut*'**
>
> **Local Authority Leader**

A number of authorities are taking a 'whole council' approach with clear strategic direction helping to avoid a piecemeal approach and commissioning support in a coordinated way and therefore more cost effectively. Many councils also caution however about having realistic expectations of the timescales involved to support transformation and emphasise the need to build capacity of partners and communities.

3.2 Workers and Trade Unions

> *'The key issues are control and accountability'*
>
> **Trade Union Official**

The Trade Union and Co-operative Movements have a long tradition of shared values. More recently in Wales, the Wales TUC was the key driver behind establishing the Wales Co-operative Centre to provide employment opportunities in the 1980s as an alternative to closure and redundancies, an earlier, mainly private sector version of 'cut and shut'.

At a national level, the trade unions remain largely unconvinced that ADMs offer a viable and sustainable alternative to direct public provision of services. However the Wales TUC is prepared to work with authorities to develop arms length models, for example, bringing together leisure centres across a number of authorities on the basis that they could be transferred back into direct local authority control after any reorganisation of local government.

At a local level, workers and their trade union representatives, although opposed to transfer of services, often take a pragmatic approach given the severe financial pressures local authorities are under particularly where they recognise that it may not be sustainable to retain all current services 'in house'. There is often common ground between local government as employers and their workers and support for joint work with unions such as that undertaken by APSE based on common public service principles. Unions have expressed some concern that representatives are not receiving sufficient support locally from employers to fully engage in options appraisals from the outset.

There is some interest from unions in options to 'insource' services to mutuals from the private sector and this opportunity is recognised in the White Paper 'where this provides better value and better services for our communities'. This could be encouraged by supporting unions to develop their own models of employee and user-based ownership models. This could also include taking the lead in exploring the viability of agency worker co-operatives for nursing, social care and teaching

Both at a national and local level, there are real concerns about threats to terms and conditions including trade union recognition, pensions and establishing a 'two tier' workforce. The Wales TUC is seeking agreement on principles and practices through a new Memorandum of Understanding, opening the way for a new protocol based on shared values and an 'ask and offer' of Welsh Government and the trade unions.

3.3 Town and Community Councils

> *'All Councils should be Activist Councils'*
>
> **Reforming Local Government: Power to Local People**

The potential of the 730 Town and Community Councils (T&CCs) to play an increasing role in local delivery has been repeatedly mentioned. A significant number of examples have been cited where they are involved in taking over assets and services such as community theatres and libraries. Two clear advantages of this are the continuity of local accountability and the ability to input relatively modest sums at the critically important early stages of development.

Local authorities, whilst able to point to a significant number of effective partnerships across Wales, are also concerned about unrealistic expectations and the lack of capacity, particularly for smaller T&CCs. Certainly the ability and appetite to engage will vary but there are some relatively large town councils - Barry Town Council for example, serves a population of 45,000. *One Voice Wales* is of the opinion that relatively modest resources from Welsh Government could support the sector to step up.

There is some frustration amongst T&CCs that they are undervalued and unrecognised and a weariness dating back to Beecham that they have 'heard it all before'. A strong message of the value and potential Welsh Government sees in T&CCs, as well as invitations to participate in key forums as a 'top table' partner, would be welcome by the sector and help validate its role in local service delivery.

The range of examples of T&CCs across Wales getting more engaged with their communities in agreeing local priorities and developing innovative models of designing and delivering services includes:

- Undertaking major consultation events to determine priorities;

- Developing local action plans;

- Establishing new models of community governance based on partnerships with local people and organisations;

- Taking over the ownership of community assets and developing business plans;

- Accessing external funding and developing income streams that can be recycled into local services.

3.4 Registered Social Landlords

> *'The next eighteen months offer a unique chance to define
> the role of housing associations in a changing environment and
> make the case for investment to deliver potential'*
>
> **Community Housing Cymru**

The relationship between Welsh Government and registered social landlords (RSLs), made up of housing associations and community mutuals, is strong and contrasts with that in England in particular. This needs to be nurtured recognising the potential of the sector to continue to jointly deliver social, economic and environmental outcomes across Wales. Housing associations and stock transfer organisations are themselves ADMs with the former having taken on the responsibility to build new social housing from the late 1980s and the latter having taken over council housing of half of the local authorities in Wales since 2003. They are organisations with strong asset bases and income streams, are major employers and have shown long term business resilience.

RSLs will often share common social, economic and environmental values with Welsh Government and local government. They have a track record stretching back decades in delivering 'housing plus' initiatives, most of which have involved some form of partnership with their local authority or other public bodies such as the NHS. Initiatives cover:

- Housing and Health partnership projects;

- Extra Care and other Residential Care;

- Community Regeneration programmes;

- Environmental improvement programmes;

- Employment and Training programmes;

- Supporting the development of local Co-operatives and Social Enterprises;

- Family Intervention projects;

- Establishing Tenant and Worker Co-operatives;

- Co-operative Housing schemes.

Since 2003 in eleven local authorities tenants voted to transfer their homes to new community mutual or other community focussed housing associations. Stock transfers offer particular lessons for the development of ADMs because they

successfully achieved transformation on a massive scale and won the support of workers and tenants in the process. They also have strong links with the authorities they grew out of and democratic participation by tenants and the community is in the DNA of their governance. Whilst nominally *transfer* organisations they could be seen as *transformation* bodies in the way they have embraced innovation, extended their activities well beyond the services transferred and are increasingly seeking to become major agents of change and regeneration in their locality and sometimes beyond.

The RSL sector as a whole is clearly up for increased partnership working, provided their boards are convinced that proposals are consistent with their values and objectives and that risks are manageable. It is also important that any partnerships or transfer of services are viable financially and, as one sector leader put it, do not rely on RSL tenants' rents as a subsidy.

3.5 The Third Sector

> *'Voluntary does not mean free'*
>
> **Wales Council for Voluntary Action**

The third sector encompasses a large number of organisations, ranging from very small and very local groups, to large and well known charities. The Wales Council for Voluntary Action (WCVA), as the sector representative body, has a strong pedigree when it comes to promoting and supporting volunteering in partnership with its extensive membership that include charities and social enterprises. WCVA is very clear that volunteering is not an easy or cheap option and that it requires investment of significant resources in volunteers themselves and the support organisations that work with them.

WCVA manages the Community Investment Fund which has been crucially important in providing support to nascent social enterprises when they do not have the track record to secure other funding.

Local County Voluntary Councils are themselves under financial pressure as their income from projects and local authorities has decreased. However at least one local authority has commissioned its CVC to engage directly with communities on the transformation agenda.

A number of larger voluntary organisations already deliver services that, in many cases, complement those provided by the public sector or involve extensive partnership working. Examples include Age Cymru, NACRO, British Red Cross, and RNIB, although this is not an exhaustive list.

3.6 Citizens and Communities

> *'If we are to continue to improve wellbeing a fundamental rethink of the state's relationships with citizens and communities is required*
>
> **Carnegie Trust UK**

The white paper is clear in its intention that citizens should in the future be involved in the 'modelling, management, ownership and delivery' of services. This comes against a backcloth of citizen activism often aimed at preventing the closure or reorganisation of a local facility such as library or community centre. There is growing evidence of successful transformation where citizens take solution focussed approaches to such challenges, moving on from simply campaigning against change, to developing ADMs that can deliver services in new and better ways and be locally accountable.

Every local authority has provided information to citizens on the financial challenges faced and the possible impact on services. A variety of means have been deployed including dedicated web pages, newsletters, public meetings, roadshows and the use of social media. Many authorities are taking a more proactive approach to encouraging communities to help set service priorities as well as considering establishing and running ADMs. Support has been provided through in-house community engagement teams or by commissioning external partners.

MUTUO has stated that there needs to be a radical approach involving citizens from the outset because services are currently based on a consumer model that encourages demand that is increasingly difficult to meet. They also note that a mutual approach would help citizens to understand costs and reduce inefficiencies as well as focussing on what matters to people and making service providers more accountable. This approach is promoted and supported by the CoPro movement in Wales.

Local engagement strategies are evident across Wales and the best take into account the existing community infrastructure, although the variation in social capital – people with the skills and commitment to take part - between prosperous and disadvantaged communities is a common problem. There is a specific problem with social capital in rural areas where the pool of community volunteers is much smaller, with the burden for new initiatives falling on those already fully committed.

If greater citizen involvement is to succeed, there will need to be sharing of power and responsibility between Local Authorities and the communities they serve. Many local authorities are already taking steps to put this into practice.

3.7 Worker and User Mutuals

> *'Could the active membership and co-operative ownership of workers, service users, volunteers and family members rebuild public trust in services and put an end to cruelty and neglect where the system of care is owned by the recipients?'*
>
> **The Guardian**

Wales is leading the way in encouraging and supporting the development of social care co-operatives, mutual and social enterprises in social care through the provisions of the Social Care and Wellbeing Act. Although progress has been limited to date, the direction of travel is clear and again distinct from the approach being taken in England.

Internationally, co-operative models of social care that link workers and citizens working together to determine and deliver services are expanding. There is well documented evidence that, not only can this lead to an increase in the efficiency of service delivery through greater employee engagement, but it also encourages a culture of flexibility and freedom to innovate. Such co-operatives also add value through reinvesting profits into the local community and services.

The UK Coalition government has supported the development of a mutual models of service delivery through its Mutual's Programme run by the Cabinet Office. Organisations such as MUTUO think Wales has an opportunity to take this further because of the strong lead by Government and a growing number of practice examples in the learning disability and housing sectors.

3.8 Public Sector Agency Workers

> *'Where do we want to be in ten years time and how do we get there?'*
>
> **NHS Board Chair**

Work by Welsh Government has provided evidence of significant growth in the number of temporary agency workers in public services in recent years in three particular areas: Supply Teaching, Nursing and Social Care. There have been concerns that this can lead to increased costs and because of the often temporary nature of agency staff, less continuity leading to poor quality services. Further work is needed to explore whether viable and sustainable ADMs could be established in these areas.

> *'We need a strong Welsh Government message backed up with support'*
>
> **Local Authority Leader**

The Minister for Public Services is clear that he believes local authorities should be learning organisations and that good practice needs to be scaled up at a far greater pace. This is inevitably a key focus of the project and it has added urgency given what is referred to cheerfully as the local authority 'graph of doom' – and each authority seems to have their own version - where demand increases and resources diminish leading over the next few years to non-statutory services collapsing. The white paper talks about a framework to support transformation. The trick will be to ensure that this allows for a process that is driven by citizens, whilst allowing quick learning and replicability at scale.

The White Paper acknowledges that, in order to support this agenda there needs to be a 'framework to support transformation' consistent with the idea of the *Enabling State*. A precedent exists in the housing sector where the concept of government as system steward underpinned the Housing (Wales) Act 2014. In practice this means deploying a full range of interventions to help 'join up' the housing system and support partners to deliver – from legislation, regulation, guidance, funding, co-operative education, supporting innovation and agreeing partnership protocols.

A new approach will require the commitment of Welsh Government, local authorities, third sector partners, support agencies and of course citizens and communities. Welsh Government needs to take the lead in determining and communicating what the basic proposition is but it includes:

- Securing and sustaining high level commitment across Welsh Government;

- Co-ordinating Welsh Government 'levers' to support delivery – regulation, procurement, resources, legislation etc;

- Engaging partners and establishing new partnerships at a national, regional and local level.

With unprecedented pressures on budgets, securing resources to support transformation has to start by considering what can be achieved through bending or top slicing existing programmes and the resources of partners.

Mutual and other democratic models often take considerable time to develop to maturity and are best launched off a 'slowly burning platform'. This may not sit well with the pressure to scale up at pace and to start developing alternative models immediately for service areas under severe pressure. A number of initiatives seek to

address this tension between 'scale and speed' and the need to build grass roots capacity:

- Dedicated local authority resources including *Transitional Funds* for groups and specialist posts

- The *Strawberry Patch* approach developed in the social care sector in Italy where each co-op is responsible for supporting the development of another one and so on.

- The *Lego* approach of 'mass produced inputs, customised outputs'

- The *CoPro* approach based on the adoption of the principle of reciprocity and equality between providers and citizens.

- The *Asset Guardian* approach where existing voluntary sector bodies take on ownership of asserts whilst community capacity is built up.

- The *Hosting and Nurturing* approach of RSLs with local housing co-operatives.

A recurring theme so far is the need to get the starting point right in any transformative process and that 'form follows function' (the phrase and variants has been used by a number of people). UnLtd said that the first question is never 'what's your structure?' MUTUO says it is essential not to reduce mutualism to a debate about corporate structure as was perceived to be the case for example in the approach taken by the Cabinet Office. This was viewed by some as simply an opportunistic mechanism to deliver privatisation. It also misses the opportunity created by mutuality to engage citizens as parties to the problem solving, re-orienting them to finding new solutions and ways of saving money or making it go further.

> *'Co-operatives serve their members most effectively and strengthen*
> *the co-operative movement by working together through*
> *local, national, regional and international structures'*
>
> **International Co-operative Principle 6**

One idea would be to instil in the existing not for profit sector a greater sense of responsibility for supporting the growth of new organisations consistent with International Co-operative Principle 6 that co-ops should help other co-ops. According to MUTUO Principle 6 is one of the keys to progress. As well as seeking a commitment for example from RSLs to sign up to the principle, simple guidance could be produced on how to put this into practice by for example seconding staff with specific expertise (business planning, governance, HR, IT etc) to emerging mutual and social enterprises. This would also offer a development opportunity for staff.

Mutuo also point out that co-operative education and training (Principle 5) are crucially important. The first stage is to educate a wide range of people – employees, managers and leaders, users, citizens – about the fundamentals of mutuality as an alternative basis for trading, for relationships and for individual behaviour.

Given the scale of the ambition at the heart of the white paper and the report of the Commission, there is an urgent need to ensure that support is provided and at a scale well beyond current levels. A national framework with the support locally delivered will be essential to ensure that:

- Generic development support is available to citizens and partners to be flexibly applied in relation to local circumstances;

- Specialist and technical support, for example, on governance or business planning can be drawn down as required;

- Maximum use is made of the expertise of third sector organisations such as RSLs as part of their principle 6 obligations.

The review of the Wales Co-operative and Mutuals Commission is likely to recommend that a *Mutuals Alliance* is established to oversee transformation and it will be critically important that this is resourced and supported by Welsh Government and partners.

5. SHARING INNOVATIVE PRACTICE

Based on the proposition that Wales could become a 'Co-operative Country' there are opportunities to attract interest and support from a variety of think tanks and research organisations to further develop the principles and practices to support the concept. This could including MUTUO, the Carnegie Trust, the Co-operative Councils group, the Co-operative College, NESTA, Mutual Ventures, and the RSA. In addition, the support of Wales based policy and practice resources such as the Wales Co-operative Centre, the Public Innovation Lab, Wales Audit Office Good Practice Exchange and Welsh colleges and universities, could be harnessed.

As has been noted, sharing practice about ADMs has been poorly developed to date whilst the pressure to learn and learn fast is increasing because of financial and demographic pressures. There are already learning mechanisms in place – formal and informal – and the role they play together with new approaches needs to be a key ingredient of the transformational framework.

But there is no need to wait. The range of innovative practice is extensive and growing wider and there are some areas in which a number of authorities and partners have experience in that offer clear learning and early replication opportunities. Below are a small number of examples of initiatives that came to light during this project although this is by no means an exhaustive list.

Comprehensive Reviews of Options

Two authorities have carried out extensive reviews across a wide range of services, including a thorough analysis of the most appropriate ADMs to be developed and to deliver services in the future.

An RSL has been developing a comprehensive consideration of options for collaboration with local authorities in North Wales, including recycling, employment and training for care leavers and grounds maintenance.

Community Governance

A South Wales authority is developing new community governance arrangements based around its four main settlements with the aim of delivering a 'whole place' strategy and devolving budgets and services to communities.

One council has been pioneering a pluralistic approach to libraries and other community facilities with a range of models driven by local people and involving various partners including T&CCs and the third sector.

Arms Length Organisations

A South Wales council is exploring a model that would establish an arms-length Enterprise directorate for all non-statutory service areas. The aim would be for this entity to generate surpluses that could be reinvested in services.

One council is exploring options to increase trading of it Public Parks and Plant Nursery functions.

Asset Transfer

A recent project has involved a community facility asset transfer from the local authority to a national development trust acting as an 'asset guardian', whilst a social enterprise is being developed and building capacity to take over ownership when ready. A similar transfer has occurred in a new build development around an existing community facility supported by an RSL.

A great deal of legal, governance, financial, asset management, risk management, experience has been accrued by the eleven large scale stock transfer organisations in Wales. They have also established a culture of shared learning and networking and are very open to approaches from other organisations going through transformative processes.

Transitional Funding and Support

There are a variety of innovative examples across Wales where authorities have put in place flexible funding arrangements for communities to access when considering ADMs.

One council has commissioned its county voluntary council to support local groups exploring ADMs.

Workers Terms and Conditions

A number of RSLs have secured the future for external workforces by establishing subsidiaries. Examples include repair and maintenance organisation which have subsequently invested in staff development, employed apprentices and delivered a tax efficient and cost effective quality service.

Stock Transfers have extensive experience of staff engagement and involvement and successfully fulfilling TUPE and pensions obligations.

Town and Community Council led Initiatives

One community council has taken over responsibility from its local authority for providing affordable and sociable lunches for older people with a substantially lower subsidy whilst at the same time extending support services in partnership with a number of voluntary organisations.

A North Wales town council took on the lease for the local cinema and secured grants of £400,000 in totally refurbishing the building and its facilities, creating eight full time jobs.

A West Wales community council took over ownership and control of a local car park and used the revenue to purchase a local school and sports field. Work has started in earnest on transforming the school building into a day care centre for older people.

Town and community councils in two rural communities are exploring 'cluster' arrangements to deliver efficiencies and pool resources.

Housing led Initiatives

The Co-operative Housing Project is delivering over 100 new homes by 2016 with over 300 more in the pipeline. The project is based on a partnership 'diamond' that could be replicated in other service areas

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Welsh Government
Policy: 500 Co-op Homes

Wales Co-operative Centre   **RSLs**
Development Support   Hosting / Nurturing

Community Pioneer Projects
Delivering Homes
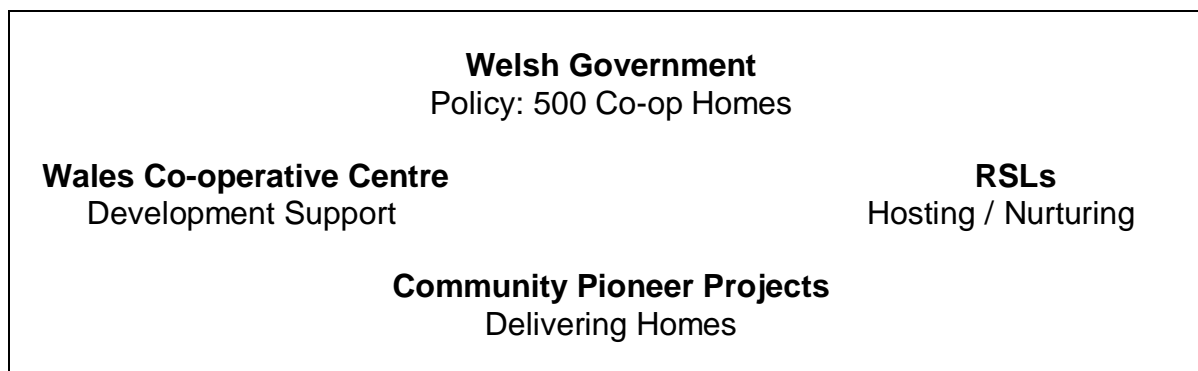
A number of RSLs are leading on the development of community hubs including a project in a town centre in North Wales that houses council youth services, six self-contained flats, college outreach offices, workshop, music studio and classroom facilities, and therefore combining training, advice and living space.

A stock transfer RSL has developed a joint venture with its long term co-operative social enterprise partner to undertake repairs and void management services.

One RSL helped design and run after school clubs which as well as providing support to pupils also encompass programmes on adult literacy and parenting.

A stock transfer RSL is leading on a family intervention project that brings together all statutory agencies and partners in a South Wales borough.

CHC's Building Enterprise programme has supported a number of transformation projects that are replicable including:

- Establishing a joint venture between a housing association and a community co-operative to deliver building services
- Supporting an association to create an arms length reactive maintenance subsidiary
- Supporting a number of associations to transfer assets to community groups

Worker and User Mutuals

A number of specialist learning disability organisation are adopting a CoPro approach to joint service user and worker design and delivery laying the foundations for social co-operatives.

A stock transfer RSL is in the process of converting to a mutual organisation with tenants and workers as joint shareholders. Its aims extend well beyond being a social landlord and encompass being a regeneration agent across the borough and a partner of the local authority in the transformation process.

Rural Communities

The Welsh Government supported Rural Housing Enabler programme has a track record of engaging rural communities in the provision of new affordable housing and associated services.

A North Wales council has produced a comprehensive toolkit and guide on developing social enterprises and other ADMs.

6. CONCLUSION: WHAT IF WALES?

> *'At a time when public service organisations all around the world are learning that the old ways of doing things are not sufficient for the future, Wales has the opportunity to leap beyond others if our minds are open to the possibility'*
>
> **Reforming Local Government: Power to Local People**

Wales has been at the forefront of radical transformation many times in its past; economically as the fulcrum of the Industrial Revolution; politically as the epicentre of Chartism; and socially as a beacon to the world on free and universal health care through a trailblazing initiative that helped create the NHS. This is a deep rooted tradition, but there is always a danger that we see our potential for radicalism only as an historic attribute. The scale of current challenges to the Welsh economy and public finances are the most important reason to rekindle the search for radical solutions.

Of course mutualism and co-operation also have deep roots in Wales and its re-emergence as an economic, political and social priority helps retie an historic knot. Based on an analysis that rejects the neo-liberal approach of the UK government we are starting to build a distinctly Welsh narrative which is leading to a programme for action driven from the heart of government across a range of ministries.

A number of leading thinkers and activists also now see Wales as a country with an historic opportunity to lead in a new public service revolution. This report underlines how the coming together of a set of challenges is opening up transformational opportunities. Wales is a country in which there is a very little support for further privatisation of public services but which also accepts that given the scale and long term nature of the challenges, 'business as usual' is not an option.

There is a growing appetite for the exploration of a full range of not-for-profit models that are accountable to local people. There is a strong desire to protect employee terms and conditions and ensure trades union recognition. There is also an overwhelming wish to ensure that reform is truly sustainable this time and a weariness with 'initiativitis' based on previous public service reform false dawns.

Any hopes that the local services cavalry were coming disappeared in the run up to the election, with both major UK parties offering a further period of cuts to council funding. The imperative of finding radical new ways of doing things whilst retaining our shared values has become, not just stronger, but inevitable. The conclusion of this report is therefore quite straight forward: if we are to take this bold transformational step in public service design and delivery, we have to ensure that there is a properly resourced framework in place to support successful and sustainable implementation.

7. ACKNOWLEDGEMENTS

I would like to thanks all the leaders, councillors, officials and representatives who were kind enough to spend time giving me their views on the challenges and visions for the future.

The support of the Wales Co-operative Centre has been invaluable although the responsibility for the content of this report is solely mine.

I would like to single out a few individuals who have given me more intensive care at various points including Glenn Bowen, Lyn Cadwallader, Pat Conarty, Andrew Davies, Ruth Dineen, Hywel Evans, Cliff Mills, Julie Nicholas, Dave Palmer, Adrian Roper, Stuart Ropke. Tamsin Stirling. Derek Walker and Karel Williams. It is not protocol to name the individual civil servants who have supported me on this work throughout – but you know who you are and I am extremely grateful.

ANNEX 1: TERMS OF REFERENCE

The overarching aim of the project is to explore how to significantly increase the role of co-operatives, mutuals, social enterprises and other not-for-profits in modelling, managing, owning and delivering public services.

The project has four objectives:

1. Review the current policy and practice context including identifying examples of good practice from Wales and elsewhere;

2. Ascertain views and level of support for project aims by engaging with key stakeholders;

3. Identify specific partnership opportunities with local authorities relating to a range of service;

4. Produce a report to include recommendations.

Number: **WG26847**

Welsh Government

Llywodraeth Cymru
Welsh Government

www.gov.wales

Alternative delivery models in public service delivery:

An action plan for consultation

Date of issue: **13 October 2015**

1 - Purpose

The purpose of this Action Plan is to provide a clear national framework within which decisions can be made locally on the appropriateness of alternative delivery models in specific services areas. It also sets out the practical support available to public service organisations, their workforce, citizens and communities in making decisions about how services should be designed and delivered.

By setting this framework and making support available we want to ensure that:

- the wider environment within which proposals for new models are considered, and then established, is conducive for ongoing sustainability and success
- new models are properly tested before being adopted
- the interests of citizens, communities and the workforce are properly considered and protected throughout

We advocate cooperative and mutual models of delivery and other alternative delivery models only as an alternative to ceasing or privatising services, as a 'least worst' option.

There are three important pre-conditions for ongoing work to develop a stronger framework for change and better support which are:

- Accountability to local government
- Protection of employee terms and conditions
- Continuation of trades union recognition

This version of the Action Plan is being published for consultation and will be developed further through engagement with interested parties during the consultation period.

2 - Context

Public services are transforming. Some of that change is a response to financial pressures and Welsh Government is clear that, where reductions in budgets mean hard choices and the possible loss or reduction of services, alternative approaches must be part of the solution.

There is, however, a more fundamental purpose underlying the transformation which is taking place, and that is public services recognising the benefits of services that are designed, owned and delivered with citizens and with their workforce. It creates an approach that is about empowerment, about grounding services in communities and making sure they are responsive to what people really need to live fulfilled lives; and, importantly, about empowering public servants to be innovative and have a real stake in the work they do.

It means that public bodies are letting go of control and developing much more nuanced approaches to ensuring vital services are provided. The emerging picture is one that sees direct delivery, effective commissioning through a range of mechanisms, establishing new organisations to deliver and brokering provision with a range of parties all playing a part.

This is a transformation which is happening now. New models of delivery are being developed and rolled out across Wales and beyond and, as we set out in the 'Reforming Local Government: Power to Local People' White Paper, these approaches are part of a powerful history of activist communities in Wales choosing to engage co-operatively to find collective solutions.

Our tradition of activist communities in Wales is something we can draw on now as we seek to define the nature of public service in the context of austerity. Just as Aneurin Bevan and his colleagues in the Tredegar Workmen's Medical Aid Society were providing a service in the public interest, we can acknowledge that people are working in the public interest and not-for-private-profit in a range of organisations that are holding public service values and are generating public value.

Co-operative and Mutuals Commission

The Co-operative and Mutuals Commission's Report documents the contribution that co-operatives and mutuals make to the economy. Co-operatives and mutuals are not only concerned with making profit, they also offer a more ethical and sustainable alternative to many challenges facing our economy and offer many solutions to the Welsh Government's priorities of redressing disadvantage and protecting the environment. The Commission presented a strong case for co-operatives and mutuals to play a much greater role in the Welsh economy and Welsh life.

The Commission looked at the ongoing delivery of public services in Wales and their related pressures. With many people demanding a greater say in the public services they receive, the Commission's view was that rising need and demand for public services, together with a more participative approach, requires a transformation in how they are provided. There needs to be innovation in service delivery, greater participation by service users and stringent financial management.

The Commission sees co-operatives and mutuals playing a vital role in this process, not as a means of cutting costs but as a way of encouraging innovation, developing new sources of income and, crucially, meeting people's needs.

In February 2015 the Minister for Economy, Science and Transport reconvened the Commission to review the steps that have been taken to implement their recommendations. The Report and its relevant findings will be considered as part of this Action Plan.

'Reforming Local Government: Power to Local People' White Paper

The White Paper 'Reforming Local Government: Power to Local People' set out the Welsh Government's policy intention that mutualism, co-operation and shared ownership with communities should be at the heart of the transformation of public services.

The White Paper also highlighted the challenges Local Authorities may face in stimulating opportunities for social and community enterprise.

In response to these challenges, the Welsh Government proposes enabling Local Authorities to use the general power of competence as a firm legal basis for developing alternative delivery models, and to review the powers of Local Authorities to delegate functions under the Deregulation and Contracting Out Act 1994. The White Paper also set out proposals to empower communities to initiate action themselves. It proposed giving community bodies a range of rights which will enable them to become involved in local services and take responsibility for community assets.

Social Services and Well-being (Wales) Act 2014

Part 2, section 16 of the Social Services and Well-being (Wales) Act 2014 introduces a duty on local authorities to promote the development, in their area, of social enterprises and co-operative organisations or arrangements to provide care and support (which includes support for carers) and preventative services. A local authority must also promote the availability in its area of care and support and preventative services from third sector organisations (whether or not they are social enterprises or co-operative organisations. Section 16 of the Social Services and Well-being (Wales) Act is due to be commenced in April 2016.
.
The local authority must promote the involvement of people for whom these care and support or preventative services are to be provided, in the design and operation of that provision.

The duty to promote means that local authorities must take a proactive approach to planning and delivering models that will meet the well-being needs of all people – children, young people and adults - in promoting models which are based on social values. Well-being outcomes underpin the whole system, and the development of any type of service must always focus on this aim.

Regulations and a code of practice have been developed to support local authorities in delivering on this duty.

An action plan to further support local authorities in delivering on their duty is in place and the key components of the social services plan are set out in this Action Plan in *Section 5 Making it happen: Actions*.

Health boards, through the primary care clusters, will increasingly draw in local government, the third sector and local communities to explore and put in place new service delivery models to bring service providers together to deliver sustainable, integrated and person-centred services closer to home.

'Is the Feeling Mutual?' report

In order to address the gaps in specialist expertise which were identified by the Welsh Co-operative and Mutuals Commission, and deliver on the policy intentions set out in the 'Reforming Local Government: Power to Local People' White Paper, the Minister for Public Services and the Minister for Economy, Science and Transport jointly commissioned work to support the practical development of mutual models in public services delivery.

A review was commissioned through the Wales Co-operative Centre and led by Keith Edwards. The results were presented in the report 'Is the Feeling Mutual?'[1], which drew on extensive engagement with a wide range of people including senior public service leaders, both officers and elected members; the Wales TUC and Trade Union representatives and representatives from the wider co-operative and mutual sector.

The report provides a comprehensive overview of the issues and it:

- provides a summary of the issues and the case for public service co-operatives and mutuals (chapter 1, 2 and 6 of the report)
- confirms the position of, and potential role in driving change of, all the key organisations with an interest, including those currently not supportive of public service co-operatives and mutuals (chapter 3 of the report)
- summarises proposals to enable transformation (chapter 4 of the report) which are expanded on in more detail in the Annex to the report
- sets out examples of public service co-operatives and mutuals or other models that could be drawn on (chapter 5 of the report)
- provides proposals for next steps to enable co-operatives and mutuals in the public sector (Annex of the report)

Consideration within public bodies

Public bodies across Wales have been considering the future shape of service delivery in the areas they are responsible for. This had led both to the consideration of the possible role of alternative delivery models and to a number of new models being established.

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[1] 'Is the Feeling Mutual?' (Keith Edwards, Wales Co-operative Centre) - http://gov.wales/topics/improvingservices/publications/is-the-feeling-mutual-report/?lang=en
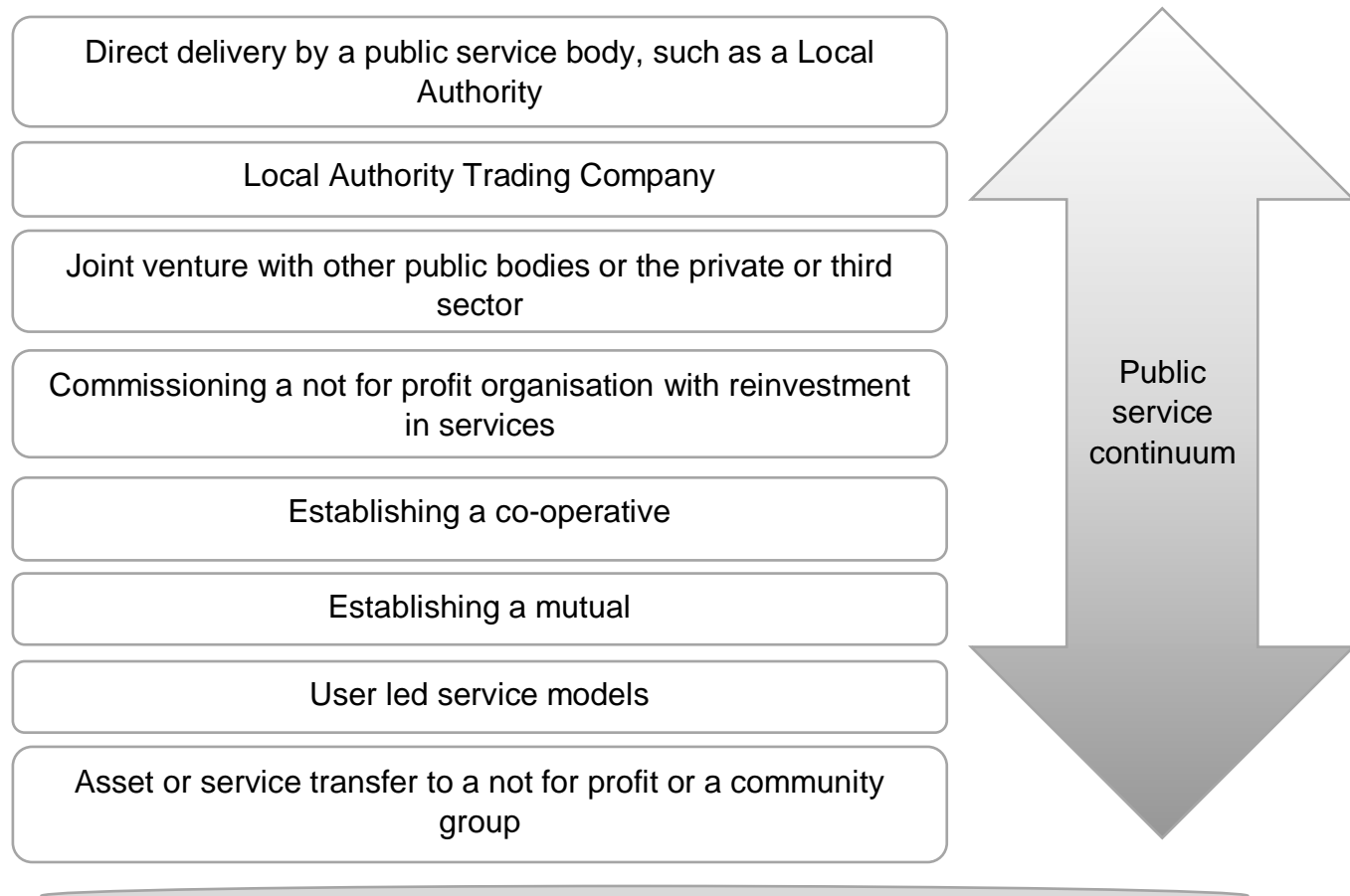
There is significant insight and learning which can be drawn from this experience. The report 'Is the Feeling Mutual?' summarises some examples and there are further case studies, outputs of conference events and sources of advice available on the Good Practice Wales website[2].

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[2] Good Practice Wales website - http://www.goodpractice.wales/home
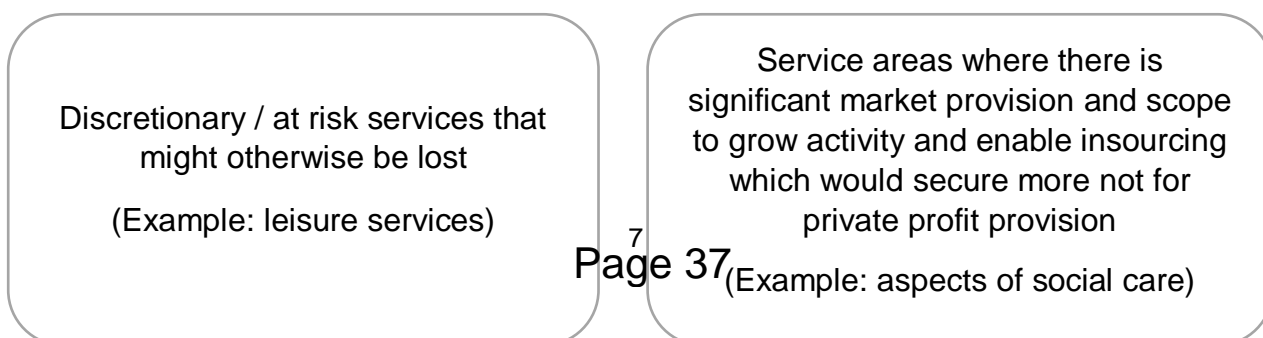
3 – Scope of Action Plan

The scope of this Action Plan is the role of co-operatives, mutuals and alternative delivery models in public service delivery, where they offer an alternative to ceasing services or privatisation.

It covers the full continuum of models some of which are illustrated below:

Direct delivery by a public service body, such as a Local Authority
Local Authority Trading Company
Joint venture with other public bodies or the private or third sector
Commissioning a not for profit organisation with reinvestment in services
Establishing a co-operative
Establishing a mutual
User led service models
Asset or service transfer to a not for profit or a community group

Public service continuum

The different models offer different opportunities, benefits and limitations. The selection of the appropriate model for any service area in any given place should be based on a thorough assessment of the local circumstances and engagement with citizens about what they want. That process should lead to an informed consideration of which model will best fit those specific circumstances and meet the objectives of the commissioner, the new organisation, citizens and the workforce.

Although decisions on which services might be suitable for delivery via an alternative delivery model are best taken locally, based on the experience of public bodies so far, it is possible to identify areas were there is likely to be more scope for such a model to be successful. These can be summarised as follows:

Discretionary / at risk services that might otherwise be lost (Example: leisure services)	Service areas where there is significant market provision and scope to grow activity and enable insourcing which would secure more not for private profit provision (Example: aspects of social care)

7

There are different stages in the development of alternative delivery models and we want to support effective and informed decision making at each stage. The broad scope of each stage summarised below:

Creating the conditions within a public body – this is the process by which an organisation thinks through where it wants to place itself on the continuum of direct delivery and delivery using other models. The focus is on the purpose of making any changes, values and surfacing issues like workforce matters. It relies on engagement of officers and elected members, where relevant. It also provides the mandate and scope for further stages, if that is the outcome of the consideration.

Develop ideas into business plans – this is about testing service areas for scope to support alternative delivery models and then, where potential is identified, moving from feasibility to business case development. This stage will require careful consideration of workforce implications, treatment of assets and other matters.

Establish the new organisation and deal with issues at point of transfer – this is about successfully establishing the new body and successfully commissioning the desired services from it.

Creating commercial capacity in the new organisation – this is about providing support so that the commercial focus and capability of the new body is sharpened and honed

Training, networking and capacity building – this is about ensuring commissioning bodies and new organisations are equipped to make this work successful

4 - Principles underpinning our approach to alternative delivery models in public services

Developing alternative delivery models is about making local choices about how best to meet local priorities. That said, there will be some clear principles which can underpin everyone's approach including recognising the needs of citizens and of the workforce, as well as reflecting the particular imperatives of a public service organisation.

We advocate cooperative and mutual models of delivery and other alternative delivery models only as an alternative to ceasing or privatising services, as a 'least worst' option.

There are three important pre-conditions for activity in this area which are:

- Accountability to local government
- Protection of employee terms and conditions
- Continuation of trades union recognition

The Welsh Government has adopted a series of principles which characterise its approach to working with communities. The' Principles for Working with Communities' are not meant as a replacement for well established principles and practice used by community groups and public sector organisations. The Principles are Welsh Government's principles and this is the approach it will advocate when working with communities.

The work on developing alternative models of public service delivery will need to have regard to the Principles for Working with Communities but will also require consultation with partners to develop a common set of principles, specific to this work, which we can all use. Developing this agreed set of principles will be a key focus of the consultation on this Action Plan.

Building on these, and acknowledging the pre-conditions above, we want to develop some boarder principles to guide our approach.

The box below sets out some initial proposals for the principles which will underpin our approach to alternative delivery models in public services and which we want to discuss and refine through engagement with partners.

Draft principles

We believe that public services are vital. We believe that public servants and those acting in the public interest are best placed to deliver public services. We recognise that the public has a right to expect us to find alternative ways to provide services even when budget pressures mean current models cannot continue. In doing so, we will be guided by the following principles:

- We will design services with people and the workforce
- We will engage constructively with our recognised trade unions and their members at the earliest possible opportunity on such developments
- We will want to make a maximum positive impact with the minimum appropriate intervention
- We will recognise, value and use the assets that are available in communities and ensure we use what citizens and communities themselves can offer
- We will look creatively at what local needs and assets are and design and operate services with citizens
- We will ensure there is direct delivery by the public sector where possible
- We will develop workforce skills and opportunities for career development

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- We will seek to ensure an equal and diverse workforce which will be treated fairly, and aim to retain jobs but we cannot rule out change given we want to retain jobs and keep services running
- We will develop services to be affordable and sustainable
- We recognise that commercial activity and income generation, where it is not for private profit, has a role to play but only where it can drive investment into vital public services

5 - Making it happen: actions

Overview

We have grouped proposed actions as follows:

- Clearing the way – removing barriers and creating an enabling environment
- Specific support – specific support to ensure effective consideration
- Asks and offers – the contribution key partners will make to enabling the development of sustainable alternative delivery models

The actions listed do not represent a comprehensive picture of all the activity underway. Where work is already well in hand, for example the follow-up to the Welsh Co-operative and Mutual Commission or in implementing the requirements of the Social Services and Wellbeing (Wales) Act 2014, we make reference to where more information about that activity can be found.

Where proposed actions are highlighted as new, shown as *New*, we want to ensure that any support we offer, or activity we undertake, is designed with those it is intended to benefit and will be effective. We will be using the consultation period to engage people on the proposals and refine them further.

Clearing the way

We will make it easier for co-operatives, mutuals and alternative delivery models to be established.

We will:

- Undertake a review to identify any legal constraints which limit the development of alternative delivery models *New*
  - o Complete: by May 16
  - o Led by: Local Government Department, Welsh Government

- Establish how a 'mutual audit', in line with the expectations set out in the Social Services and Wellbeing (Wales) Act could be applied more widely to funding of other services *New*
  - o Complete: by Jul 16
  - o Led by: Local Government Department, Welsh Government

- Identify ways in which to strengthen the emphasis on testing the scope for alternative delivery models in making funding awards or commissioning decisions and utilising the new designation on public procurement to identify the potential for opening up contract opportunities *New*
    - Complete: by Jul 16
    - Led by: Value Wales and Grants Centre of Excellence, Welsh Government

- Ask the Public Services Staff Commission to identify and advise on key workforce matters arising from the development of alternative delivery models *New*
    - Complete: Agree scope of work to be undertaken by Dec 15
    - Led by: Public Services Staff Commission

Specific support

We will provide specific, targeted support to create the right environment within which co-operatives, mutuals and alternative delivery models can be considered and proposals tested. We will also provide specific, targeted support which will ensure that new models can be established on a sound footing and have the best chance of operating successfully.

We will:

- Develop a national framework for advice and specialist support on alternative delivery models which public bodies can draw from *New*
    - Complete: April 16
    - Led by: National Procurement Service, Welsh Government

- Establish a simple, flexible funding mechanism to support Local Authorities in drawing on expert support to inform decisions on alternative delivery models *New*
    - Complete: Mar 16
    - Led by: Local Government Department, Welsh Government

- Support the development of mechanisms for developing capacity and capability in this area including the following: *New*
    - Peer-led mentoring network
    - Academi Wales to provide support through its Continuous Improvement team. The intention would be to apply a 'train the trainer' model to equip people in public services to provide the relevant support and expertise in service redesign
    - Skills development programme – across Local Government and Health we will develop plans for a skills development programme
        - Complete: Sept 16
        - Led by: Peer led / Local Government Department, Welsh Government

- Continue to deliver the Social Services Action Plan which includes action to:

- Continue to generate a shared understanding and raise awareness of not for private profit models as a viable delivery model for care and support.
- Encourage new entrants to the care and support market in the form of not for private profit models, whilst ensuring that appropriate advice and information is available for them.
- Encourage local authorities to make the best use of the assets available to meet care and support needs, which must include the expertise and knowledge of people who use care and support services and carers.
- Support local authorities to share learning and best practice by providing direction and support to establish networks and links to best practice.
- Encourage local authorities and health boards to use various mechanisms (for example the population assessment and primary care clusters) to investigate not for private profit models as an option for the delivery and operation of early intervention and preventative services.
- Support the piloting of new models of service delivery by exploring a range of delivery models that will build enterprise and innovation skills as well as capacity.
- Evaluate the impact to inform policy and implementation.
  - Complete: Varies
  - Led by: Social Services Department, Welsh Government

- Continue to provide relevant business support, which includes:
  - Welsh Government grant match funding towards the £11 million EU backed ERDF Funded Social Business Wales Project led by the Wales Co-operative Centre
  - Core funding to the Wales Co-operative Centre and Social Firms Wales which provide specialist social enterprise support; and to membership organisations that specialise in providing bespoke business support and membership services within the social enterprise sector.
    - Complete: Ongoing
    - Led by: Economy, Science and Transport Department, Welsh Government

- Ensure the ongoing implementation of all of the recommendations from the Welsh Co-operative and Mutuals Commission's Report that impact on the portfolio of the Minister for Economy, Science and Transport. The Minister reconvened the Commission in February 2015 to undertake a review of progress by the Welsh Government and the Sector in implementing its recommendations
  - Complete: Ongoing
  - Led by: Economy, Science and Transport Department, Welsh Government

- Take account of the research into services which focus on key issues in the home care workforce. This is linked to the work on the Regulation and Inspection of Social Care (Wales) Bill. The findings of the research will be published and will be used to inform decisions about alternative delivery models, including as it relates to agency workers
  - Complete: March 2016
  - Led by: Social Services Department, Welsh Government

- Take account of the outcomes of the consultation on Protecting Community Assets which closed on 11 September. This included consideration of whether the Assets of Community Value Measures contained in the Localism Act 2010 should be commenced in Wales, or whether a bespoke approach should be developed for Wales. Such an approach might be aligned to the Local Government reform in Wales. The Minister for Communities and Tackling Poverty is expected to make a Statement on the outcome of the consultation by November 2016.
    o Complete: Ongoing
    o Led by: Communities and Tackling Poverty Department, Welsh Government

- Continue to consider options for alternative delivery models for the provision of supply teachers including:
    ▪ Engage with Directors of Education and HR Education leads to investigate the practicalities, financial and legal implications of establishing secondary cooperatives for supply teachers; and
    ▪ Encourage schools, local authorities and consortia to consider alternative methods of covering teachers absence as set out in the guidance *Effective management of workforce attendance;*
    o Complete: By May 2016
    o Led by: Workforce Strategy Unit (Schools), Education and Public Services, Welsh Government.

- Continue to encourage local authorities to consider how cooperatives and mutuals can deliver wellbeing outcomes through local ownership of energy generation, supply and use, building on our work with the Wales Co-op and other sector bodies over the last 5 years.
    o Complete: Ongoing
    o Led by: Natural Resources Department, Welsh Government.

- Continue to fund WRAP Cymru to explore opportunities for the increase of reuse to maximise the environmental, economic and social value to Wales in line with the principals outlined in the Well-being of Future Generations (Wales) Act 2015, and Towards Zero Waste 2010. Co-ops and mutuals play an important role in reuse and there are significant opportunities for them to work more closely with local authorities. This includes the potential to provide services to reuse 'bulky wastes' (e.g. furniture, and large electrical items) collected at the kerbside and at recycling centres.
    o Complete: Ongoing
    o Led by: Natural Resources Department, Welsh Government

- Continue to support, as part of the Welsh Government Rural Communities – Rural Development Programme 2014-21, cooperatives and mutuals through the Rural Community Development Fund grant scheme. This scheme offers grants, primarily aimed at LEADER Local Action Groups (LAGs) and other

community-based organisations, including Co-operatives and Mutuals, for investment funding across a wide range of interventions designed to prevent poverty and mitigate the impact of poverty in rural communities, improving conditions which can lead to future jobs and growth.

- o Complete: Ongoing
- o Led by: Natural Resources Department, Welsh Government

Asks and offers

We recognise that in order for co-operatives, mutuals and alternative delivery models to play a sustainable and equitable part in public service delivery, a number of partners have a key enabling role. We will work with these partners to define their contribution to this agenda during the consultation period and will set out those agreed contributions in the final version of the Action Plan.

Sir y Fflint
Flintshire
COUNTY COUNCIL
CYNGOR

ORGANISATIONAL CHANGE OVERVIEW & SCRUTINY COMMITTEE MEETING	

Date of Meeting	**Tuesday 26th April 2016**
Report Subject	**Improvement Plan 2016/17**
Cabinet Member	Deputy Leader and Cabinet Member for Environment Cabinet Member for Education Cabinet Member for Waste Strategy, Public Protection and Leisure
Report Author	Chief Executive Chief Officers – Organisational Change
Type of Report	Strategic

EXECUTIVE SUMMARY

The Improvement Plan for 2016/17 has been refreshed and updated to reflect the key priorities of the Council for next year. The structure of the plan is retained with the eight priorities and the sub-priorities. Five of the eight priorities continue with a refresh of longer term projects or ambitions, whereas the remaining three have been reviewed to reflect local circumstances and priorities.

There is also a new section within each sub-priority which references national issues which have the potential to impact upon achievement of the priorities. These issues will also be referenced, where relevant, in the next refresh of the Medium Term Financial Strategy for 2016-2020.

Following presentation of the initial draft to Cabinet on 19th April 2016, relevant sections of the Improvement Plan are now being presented to Overview and Scrutiny Committees for consultation and input, along with the proposed targets for the national performance indicators.

RECOMMENDATIONS	

1	To review and comment on:
	   i. The content of the Improvement Plan and 'How we measure achievement' document for the Priority 'Skills & Learning'.
	   ii. The proposed targets for the national performance indicators.

REPORT DETAILS

1.00	Explaining the Improvement Plan and Target Setting
1.01	It is a requirement of the Local Government (Wales) Measure 2009 (the Measure) to set Improvement Objectives and publish an Improvement Plan. It is a statutory requirement for the County Council to adopt the Improvement Plan.
1.02	Improvement Objectives and an accompanying Improvement Plan were first set and adopted by the Council in 2011. For 2013/14 the Council thoroughly reviewed the priorities to streamline them and reset them with clearer outcome based aims. A revised set of eight priorities supported by a structure of sub-priorities was adopted.
1.03	The Plan presentation also changed providing detail for each of the priorities which were to have the most impact during the year. This has helped the organisation to concentrate on the outcomes where most immediate attention was needed.
1.04	In recent years the Plan has been effective in setting priorities and achieving outcomes. This has been validated by the Wales Audit Office (WAO) as below.
1.05	The WAO in its Corporate Assessment report of March 2015 said that *"the Council has established a wide-ranging set of clearly-stated priorities that have a broad base of support within the Council and among partners"*. In addition the report commented on: *"The Council sets out its vision clearly within its Improvement Plan, as required by the Local Government Measure 2009 (the Measure). For 2014-15, the Council's coherent set of eight strategic priorities is underpinned by more detailed sub-priorities, some of which are identified clearly as areas of particular focus during the year. Though wide-ranging, the Council's vision demonstrates a clear commitment to continuous improvement, reflected by targets for improving the efficiency and effectiveness of its services, particularly those associated with its in-year Improvement Objectives."* The format and content of the Plan was also commented upon: *"The Council has worked hard to improve the quality of this key plan and the Improvement Plan for 2014-15 is a clear and accessible document that sets out far more clearly than before what the Council plans to do and how its success might be measured and evaluated."*

1.06	For 2016/17 a review of the current priorities and sub-priorities has been undertaken to set: - • priorities that continue into 2016/17 for sustained attention; • activities that can now be removed as completion of a time-limited piece of work e.g. Universal Credit preparation, use of the National Procurement Service; • priorities which could be broadened to include more strategic issues e.g. 'Creating jobs and growing the local economy', the care home market; • sub-priorities which could be merged e.g. Fuel Poverty and Maximising Income; • emerging priority activities for 2016/17 e.g. Improving chances for Looked after Children, mental health. Sub-priorities have also been set to take into account Cabinet and Overview and Scrutiny priorities, priorities of partners, public views and service demands and national policy and legislation.
1.07	For each sub-priority which continues to be high profile for 2016/17 there has been a review based on: - • the reasoning for the priority status; • what we will do and how we will measure achievement; and • the risks that will need to be managed. In addition there is a section on national policy issues which may impact our ability to deliver and achieve.
1.08	The Improvement Plan in totality is presented as 2 documents that are inter-related; firstly the 'public' version of our statements of intent around the 8 priorities and secondly the document that describes the targets and milestones on which achievement will be measured. This is the document that is used by Cabinet and Overview and Scrutiny Committees to monitor progress during the year. Appendix 1 is the draft Improvement Plan sub-priority 'Developing Communities', including the 'How we will Measure Achievement' extract for this sub-priority.
1.09	The 'Developing Communities' sub-priority for 2016/17 builds on what has been completed in year one (2015/16) with support for local communities. It concentrates on: • Developing the community and social sectors to support local communities to be more self-sufficient. • Creating alternative delivery models within the community and social sector to sustain valued public services. • Developing social enterprises, who are able to act for the benefit of local communities and create both employment and economic opportunities. • Realising social benefits in the community e.g. increasing volunteering and training opportunities for young people; keeping

		local money in the community.
		• Ensuring our Armed Forces Community and their families are recognised for their commitment.
1.10		The final Improvement Plan will be available as a web-based document published on the website before the end of June following endorsement by County Council.
1.11		In addition to the performance measures in the Improvement Plan, the Council has a duty to collect and report annually on a number of statutory measures to Welsh Government:
		• National Strategic Indicators (NSIs)
		• Public Accountability Measures (PAMs)
1.12		Targets are set for the current year and the next year based on historical trend, comparative performance and local circumstances. Such considerations are detailed in the 'rationale' for the target.
		Classifications are also set for each performance indicator and the rationale for the selection is stated: -
		• Improvement - current performance is poor and improvement is being targeted.
		• Incremental - current performance is fair but stepped, incremental improvement is being sought.
		• Maintenance - current performance is good and we are seeking to maintain that level.
		Appendix 2 is a schedule of the national performance indicators for Libraries and Leisure.

2.00	**RESOURCE IMPLICATIONS**
2.01	Resource implications have been considered during preparation of the Medium Term Financial Strategy and will continue to be monitored during the regular budget monitoring and financial planning arrangements.

3.00	**CONSULTATIONS REQUIRED / CARRIED OUT**
3.01	Following presentation of the initial draft to Cabinet on 19th April 2016, relevant sections of the Improvement Plan are now being presented to Overview and Scrutiny Committees for consultation and input.

4.00	**RISK MANAGEMENT**
4.01	Delivery of the plan objectives are risk managed as part of each of the sub-priorities of the Improvement Plan. They are monitored and reported

against quarterly to the Overview and Scrutiny Committees.

The risks to the statutory requirements of the Plan include: not publishing the plan within statutory timescales (30 June) and not adhering to the prerequisite content. Both these risks are managed through adherence to well established procedures for i) publishing the Plan and ii) ensuring that the content of the plan reflects the requirements of the Measure.

An additional risk is that Members do not endorse the Plan; consultation with Members both individually and as part of the Scrutiny process allows for full engagement.

5.00	**APPENDICES**
5.01	**Appendix 1** – Improvement Plan 2016/17: 'Developing Communities' **Appendix 2** – Proposed national performance indicator targets for Libraries and Leisure.

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	**Contact Officer:** Louise Mackie, Policy and Performance Support Officer **Telephone:** 01352 702154 **E-mail:** louise.mackie@flintshire.gov.uk

7.00	**GLOSSARY OF TERMS**
7.01	**Improvement Plan:** the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.
7.02	**Corporate Assessment:** in 2013/14 the Wales Audit Office (WAO) began a new four year cycle of Corporate Assessments of improvement authorities in Wales. An in depth Corporate Assessment reports on the Council's track record of performance and outcomes as well as the key arrangements necessary to underpin improvements in services and functions. Flintshire's first Corporate Assessment was conducted in late 2014 and the report on its outcomes was included in the Annual Improvement Report reported to Cabinet in March 2015.
7.03	**Medium Term Financial Strategy:** a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.
7.04	**Wales Audit Office:** works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.

7.05	**Social Enterprise:** businesses with primarily social objectives whose surpluses are mainly reinvested for that purpose in the business or community.
7.06	**Community Benefit Clauses:** benefits to local communities from major procurements e.g. training and employment opportunities, community facilities.
7.07	**Alternative Delivery Models (ADMs):** new approaches to service delivery designed to sustain important services and meet future need.

This is a priority this year because we need to:
- Build on what has been completed in year one (2015/16) with support for local communities. In year two this will be concentrated on:
    - Developing the community and social sectors to support local communities to be more self-sufficient.
    - Creating alternative delivery models within the community and social sector to sustain valued public services.
    - Developing social enterprises, who are able to act for the benefit of local communities and create both employment and economic opportunities.
    - Realising social benefits in the community e.g. increasing volunteering and training opportunities for young people; keeping local money in the community.
    - Ensuring our Armed Forces Community and their families are recognised for their commitment.

National Policy Issues:
- Lack of support programmes for the development of alternative delivery models.
- Role of Town and Community Councils in cooperative working and local governance as detailed in the Local Government Bill 2015.
- Strengthening of the social sector to be more commercial and less reliant on grant funding.

What we will do in 2016/17:
1) Develop the community and social sectors through developing and growing social enterprises in Flintshire, in turn supporting and creating new forms of local business.
   Achievement will be measured through:
   - Monitoring the number of new social enterprises developed
   - Monitoring the number of social enterprises supported to thrive and prosper
   - Monitoring community benefits delivered by new social enterprises

2) Encourage volunteers and active citizens.
   Achievement will be measured through:
   - Monitoring the impact of the local volunteering policy

3) Ensure community benefit through our commissioning of goods and services and their impact.
   Achievement will be measured through:
   - Establishing a Community Benefits Board with an action plan
   - Monitoring the percentage of community benefit clauses included in new procurement contracts

4) Design and implement alternative delivery models (ADMs) to sustain important services to meet future need.

Achievement will be measured through:
- Monitoring the level of efficiencies ADMs have supported
- Monitoring the number of services sustained through delivery via alternative models

5) Empower communities to run and manage facilities in their locality through Community Asset Transfers (CATs).
   Achievement will be measured through:
   - Monitoring the number of public assets safely transferred to the community
   - Monitoring community benefits delivered by Community Asset Transfers

6) Ensure our Armed Forces Community and their families are not disadvantaged when accessing Council Services
   Achievement will be measured through:
   - Monitoring the achievements of the Armed Forces Covenant Action Plan

Risks to manage:
- The capacity and appetite of the community and social sectors.
- The willingness of the workforce and Trade Unions to embrace change.
- Market conditions which the new alternative delivery models face.
- Limitations on public funding to subsidise alternative models.
- Procurement regulations stifling our ability to develop local community and third sector markets
- Newly established Social Enterprises fail in their early stages of development
- Newly established Community Asset Transfers fail in their early stages of development

What we mean by:
Social Enterprise: businesses with primarily social objectives whose surpluses are mainly reinvested for that purpose in the business or community.
Community Benefit Clauses: benefits to local communities from major procurements e.g. training and employment opportunities, community facilities.
Alternative Delivery Models (ADMs): new approaches to service delivery designed to sustain important services and meet future need.
Community Asset Transfers (CAT): the leasehold transfer of a Flintshire County Council asset to an organisation with a social purpose who plans to use it for the benefit of the local community.

Priority	Sub-Priority	Impact
Modern & Efficient Council	Developing Communities	Supporting communities to become more resilient

What we will do in 2016/17:

1. Develop the community and social sectors through developing and growing social enterprises in Flintshire, in turn supporting and creating new forms of local business.

Achievement will be measured through:
- o Monitoring the number of new social enterprises developed
- o Monitoring the number of social enterprises supported to thrive and prosper
- o Monitoring community benefits delivered by new social enterprises

Quarterly summary progress monitoring:
- o Monitoring community benefits delivered by new social enterprises based on the 8 Community Benefit Agreements drafted in 2015/16

Achievement Measures	Lead Officer	2015/16 Baseline Data	2016/17 Target	2017/18 Aspirational Target
The number of new social enterprises developed *	Chief Officers – Organisational Change & Community & Enterprise	5	3	3
The number of social enterprises supported to thrive and prosper (support meetings held with Social Enterprises)		12	12	12

2. Encourage volunteers and active citizens

Achievement will be measured through:
- o Monitoring the impact of the local volunteering policy

Achievement Measures	Lead Officer	2015/16 Baseline Data	2016/17 Target	2017/18 Aspirational Target

Number of volunteers directly placed into volunteering placements (Source: FLVC)	Chief Officers – Organisational Change	541	Management Information	Management Information

3.	**Ensure community benefit through our commissioning of goods and services and their impact.**

Achievement will be measured through:
- o Establishing a Community Benefits Board with an action plan
- o Monitoring the percentage of community benefit clauses included in new procurement contracts

Achievement Milestones for strategy and action plans:
- o Establishment a Community Benefits Board by September 2016

Achievement Measures	Lead Officer	2015/16 Baseline Data	2016/17 Target	2017/18 Aspirational Target
Percentage of contracts awarded in the financial year over £1m with community benefit clauses included in contract documents	Chief Officer – Governance	100%	100%	100%
Percentage of contracts awarded in the financial year under £1m with community benefit clauses included in contract documents		N/A New Measure	20%	30%

4.	**Design and implement alternative delivery models (ADMs) to sustain important services to meet future need.**

Achievement will be measured through:
- o Monitoring the level of efficiencies ADMs have supported
- o Monitoring the number of services sustained through delivery via alternative models

Achievement Measures	Lead Officer	2015/16 Baseline Data	2016/17 Target	2017/18 Aspirational Target
The level of efficiencies ADMs have supported	Chief Officers –	Business Plans completed identifying £2m savings	Establish ADMs by 1st April	£2m

	Organisational Change	from 2017/18	2017	
The number of services sustained through delivery via alternative models		5 services in 3 ADMs from 2017/18	Establish ADMs by 1st April 2017	5 services

5. Empower communities to run and manage facilities in their locality through Community Asset Transfers (CATs).				

Achievement will be measured through:
- o Monitoring the number of public assets safely transferred to the community
- o Monitoring community benefits delivered by Community Asset Transfers

Quarterly summary progress monitoring:
- o Monitoring community benefits delivered by Community Asset Transfers based on the 8 Community Benefit Agreements drafted in 2015/16

Achievement Measures	Lead Officer	2015/16 Baseline Data	2016/17 Target	2017/18 Aspirational Target
The number of public assets transferred to the community	Chief Officers – Organisational Change	8 transferred or in legal completion	15 transferred or in legal completion	15 transferred or in legal completion

6. Ensure our Armed Forces Community and their families are not disadvantaged when accessing Council Services

Achievement will be measured through:
- o Monitoring the achievements of the Armed Forces Covenant Action Plan

Quarterly summary progress monitoring:
- o Monitoring the achievements of the Armed Forces Covenant Action Plan

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Ref.	Short Description	Unit of Measure (e.g. %, Days etc.)	Direction of Positive Perform-ance	Outturn Value 2013/14	Target 2014/15	Outturn Value 2014/15	Quartile Position Achieved 2014/15	Wales Average 2014/15	Best in Wales Value 2014/15	Top Quartile Value Wales 2014/15	Target 2015/16	Year End Outturn Value 2015/16 (if available)	Target 2016/17	Target Rationale for 2016/17 Please ensure the rational includes reasons: (1) where top quartile performance is not being targeted (2) where the target is poorer performance than achieved previously	Aspirational Target 2017/18	Target Classific-ation (current)	Target Classific-ation (proposed)	Classification Rationale	NSI / PAM / Local
										LIBRARIES & LEISURE									
LCL/001b Annually	The number of visits to Public Libraries during the year, per 1,000 population. * Ranked 10th in Wales for 2014/15	Visits	Higher	5315 visits	5500 visits	4,991 Visits per 1,000	Upper Middle Quartile	5,526	8,376	5,951	5,000 Visits per 1,000	TBC	5000	Information on visitor numbers not yet available . The target is being based on maintaining last years target despite the fact that service hours and service points have been reduced. However self service facilities and a new library have assisted in maintaining visitor numbers.	5000	Maintenance	Maintenance		NSI
LCS/002b	The number of visits to local authority sport and leisure centres during the year where the visitor will be participating in physical activity, per 1,000 population *Ranked 5th in Wales for 2014/15	Visits	Higher	10057 visits	9,700 visits	9,739 visits	Top Quartile	8,662	13,915	9,457	9,739 visits	TBC	9,739 visits	1) Top quartile performance is still being targeted. 2) In light of the information in 'Classification Rationale', maintenance of the 2015/16 outturn performance is an appropriate and realistic target.	9,739 visits	Maintenance	Maintenance	1) Cabinet will continue to consider an Alternative Delivery Models (ADM) for Leisure & Libraries services during Quarter 1 2016/17. If Cabinet endorses the proposed ADM then service capacity to improve performance during 2016/17 will be limited due to the service management team's focus on the development of the new company's board & legal structure and the setting up of the 'shadow' organisation rather than day-to-day business. 2) Connah's Quay Swimming Pool & Holywell Leisure Centre are due to transfer to community-based operations during 2016/17. In order to remain viable business models it is anticipated that these two sites will be subject to a significant change to their programme of activities, with the impact upon participation figures currently unknown. 3) This period of organisational change may impact upon service continuity in terms of staff turnover, asset management responsibility & the scale of the future service 'offer'.	NSI

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ORGANISATIONAL CHANGE OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Tuesday, 26 April 2016
Report Subject	Forward Work Programme
Cabinet Member	N / A
Report Author	Member Engagement Manager
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Organisational Change Overview & Scrutiny Committee.

RECOMMENDATION	
1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Member Engagement Manager, in consultation with the Chair and Vice-Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows: 1. Will the review contribute to the Council's priorities and/or objectives? 2. Is it an area of major change or risk? 3. Are there issues of concern in performance? 4. Is there new Government guidance of legislation? 5. Is it prompted by the work carried out by Regulators/Internal Audit?

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Publication of this report constitutes consultation.

4.00	RISK MANAGEMENT
4.01	None as a result of this report.

5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None. **Contact Officer:** Robert Robins Member Engagement Manager **Telephone:** 01352 702320 **E-mail:** robert.robins@flintshire.gov.uk

7.00	**GLOSSARY OF TERMS**
7.01	**Improvement Plan:** the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

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Organisational Change Overview & Scrutiny Committee
Forward Work Programme 2015/16

DATE	SUBJECT	O&S FOCUS	REPORT FROM
Monday 13th June 2016 10.00 a.m.	2015/16 Year End Reporting and Data Submission, Improvement Plan & Chief Officer Performance Reports	Monitoring	Robert Robins
	Forward Work Programme	Development	Robert Robins
Monday 11th July 2016 10.00 a.m.	Forward Work Programme	Developemnt	Robert Robins

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