

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.
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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: <ul style="list-style-type: none"> • 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: <ol style="list-style-type: none"> (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

	<p>support package. It covers the following three areas of action:</p> <p>(1) Clearing the way – removing barriers and creating an enabling environment for ADM development;</p> <p>(2) Specific support – specific support to ensure effective consideration of ADMs</p> <p>(3) Asks and offers – the contribution key partners will need to make to enabling the development of sustainable ADMs</p>
1.08	<p>Practically if implemented the difference and benefit for Flintshire that implementation of this action plan would make is as follows:</p> <ul style="list-style-type: none"> • 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	<p>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.</p>
1.10	<p>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.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Financial Implications</p> <p>None</p>
2.02	<p>Human Resource Implications</p> <p>None</p>

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	<p>Risks and mitigating action as follows</p> <ol style="list-style-type: none"> 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	<p>Appendix A – ‘Is the Feeling Mutual?’ national report Appendix B – ‘Alternative delivery models in public service delivery: An action plan for consultation’</p>

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

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.