

## CABINET

<b>Date of Meeting</b>	Tuesday, 16 <sup>th</sup> July 2019
<b>Report Subject</b>	Alternative Delivery Models Phase 2
<b>Cabinet Member</b>	Cabinet Member for Corporate Management and Assets
<b>Report Author</b>	Chief Executive Chief Officer (Streetscene and Transportation)
<b>Type of Report</b>	Strategic

### **EXECUTIVE SUMMARY**

The Council adopted a programme of transferring selected services from direct delivery models to Alternative Delivery Models (ADM) in 2014. The programme was a big part of a renewed strategy for organisational change, and was designed to make significant annual revenue savings as a contributor to the Medium-Term Financial Strategy, whilst ensuring the protection of those services into the future. This initial programme has been completed successfully.

The Council is now ready for a second phase of the programme. This phase of the programme is more expansive with a wide range of concepts for alternative service delivery models for existing services and new models for new service innovations.

The report seeks support for the second phase of the programme, with each of the proposed service models detailed in this report to be explored further with progress reports to follow.

### **RECOMMENDATIONS**

1	That Cabinet approves the second phase of the Alternative Delivery Model programme and refer this report to the Organisational Change Overview and Scrutiny Committee in September for review and comment.
2	That Cabinet requests further reports, evaluating each of the proposed service models for more detailed consideration prior to any formal decision on their future, noting that several of the models are well advanced and that one (the CCTV Monitoring Service) has been given a separate and prior approval.

## REPORT DETAILS

1.00	<b>THE ALTERNATIVE DELIVERY MODEL (ADM) PROGRAMME</b>
1.01	<p>The Council adopted a programme of transferring selected services from a direct delivery model to an alternative delivery model in 2014. The programme was a key part of a renewed strategy for organisational change and was designed to make significant annual revenue savings, as a contributor to the Medium-Term Financial Strategy, whilst ensuring the protection of those services. This programme has been completed successfully.</p> <p>The completed service transfers are: -</p> <ul style="list-style-type: none"> <li>• Leisure and Library Service – Aura Leisure and Libraries Ltd</li> <li>• Catering and Facility Management Services – Newydd</li> <li>• Valuation, Estates, Highways, Engineering and Property</li> <li>• Social Services Day Services and Work Opportunities – HFT</li> <li>• the Corporate Asset Transfer (CAT) programme (various transfers out)</li> </ul>
1.02	<p>The Council is now ready for a second phase of the programme. This phase of the programme is more expansive with a wide range of concepts for alternative service delivery models for existing services and new models for new service innovation.</p> <p>The services currently in scope are: -</p> <ul style="list-style-type: none"> <li>• CCTV monitoring and control service</li> <li>• Theatr Clwyd</li> <li>• Micro Care (Community based domiciliary care services)</li> <li>• Streetscene and Transportation Trading Services</li> <li>• Housing Revenue Account Trading Services</li> <li>• Food Poverty Enterprise</li> <li>• Green Energy Company</li> </ul>
1.03	<p>There are four stages in the development and implementation of alternative or new delivery models: -</p> <p>Stage 1: Proof of concept  Stage 2: Planning, due diligence and approvals  Stage 3: Transition to the new model  Stage 4: Settlement period for the new model</p> <p>The outline details of each proposal, together with a progress assessment against the above 4 stage process, are shown in the following paragraphs:</p>
1.04	<p><b>CCTV Monitoring and Control Service.</b></p> <p><b>Current Position:</b> At Stage 3. Proposals presented to Cabinet and approved in June 2019.</p> <p><b>Details:</b> Relocation of the CCTV monitoring service to Wrexham County Borough Council (WCBC) to be managed under a joint services. Flintshire will retain responsibility for fibre costs, camera maintenance and replacement costs.</p>

	<p><b>Cabinet 18 June Decision:</b> Cabinet supports the merging of the CCTV monitoring function with Wrexham.</p>
1.05	<p><b>Theatr Clwyd</b></p> <p><b>Current Position:</b> At Stage 2. Proposals for a preferred future model presented to and approved by Cabinet in June 2019.</p> <p><b>Details:</b> the proposed transition of the theatre from a Council-run entity to an independent trust model.</p> <p><b>Cabinet 18 June Decision:</b> Preferred governance model for the future was supported with a full and final report on the preferred model be brought back to Cabinet for a final decision to be made no later than December 2019.</p>
1.06	<p><b>Micro Care (Community-based Domiciliary Care Services)</b></p> <p><b>Current Position:</b> Mid-Stage 2. Included in the Council Plan for 2019/20.</p> <p><b>Details:</b> Micro Care is as an innovative approach to develop locally based care support models through co-operatives or social enterprises, as a way of strengthening the wider provision of home care due to shortages in independent provision.</p>
1.07	<p><b>Streetscene and Transportation Trading Services</b></p> <p><b>Current Position:</b> Stage 1. No approvals sought to date.</p> <p><b>Details:</b> To explore the possibility of trading in certain specific areas of service where the Council has the expertise and extendable capacity e.g. private vehicle MOTs, Streetlighting.</p>
1.08	<p><b>Housing Revenue Account Trading Services.</b></p> <p><b>Current Position:</b> Stage 1. No approvals sought to date.</p> <p><b>Details:</b> To explore the possibility of trading in certain specific areas of service where the Council has the expertise and extendable capacity within its Direct Labour Organisation (DLO) e.g. domestic property gas servicing and electrical service.</p>
1.09	<p><b>Food Poverty Enterprise</b></p> <p><b>Current Position:</b> At Stage 2. Report due to Cabinet July 2019.</p> <p><b>Details:</b> The Council and its two foundation partners have been exploring a number of options to create a food preparation and distribution hub in Flintshire to address food poverty. The proposed business model is a new social enterprise business.</p>
1.10	<p><b>Green Energy Company</b></p> <p><b>Current Position:</b> Stage 1. No approvals sought to date.</p> <p><b>Details:</b> A local authority owned green energy company could have a number of</p>

	functions including becoming a private sector energy supplier, developing renewable community energy generation assets, and providing energy advice for company audits and statutory compliance requirements. Opportunities will be provided in this field by the North Wales Economic Growth Bid.
--	--

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The concept and initial scoping work for the individual projects has been undertaken to date by colleagues within the individual portfolios. Specific project development capacity will be provided through invest to save and national funding sources as required.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	Individual and specific consultation processes will apply to each project. This will include Cabinet Member and the respective Overview and Scrutiny Committee.
3.02	Progress of the overall ADM programme will be reviewed by the Organisational Change Overview and Scrutiny Committee.
3.03	The developing proposals and final agreements will be subjected to workforce and Trade Unions consultation.

<b>4.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>												
4.01	Each proposed model will be risk assessed as it progresses. There will be a detailed report on each prior to any formal decision being recommended to adopt each new model. These reports will explore due diligence, risks, benefits and impacts in detail.												
4.02	Under the five delivery principles of the Well-being of Future Generations Act a successful Alternative Delivery Programme can have the following impacts as demonstrated with the first phase of our own local programme: - <table border="1" data-bbox="300 1563 1445 2063"> <thead> <tr> <th>Ways of Working Principle</th> <th>Impact</th> </tr> </thead> <tbody> <tr> <td>Long-term</td> <td> <ul style="list-style-type: none"> <li>Positive impact on longer-term service planning with greater independence</li> </ul> </td> </tr> <tr> <td>Prevention</td> <td> <ul style="list-style-type: none"> <li>Some new models will include services which have positive preventative impacts for people</li> </ul> </td> </tr> <tr> <td>Integration</td> <td> <ul style="list-style-type: none"> <li>New models can include collaborative models with partners which integrate like services under one model</li> </ul> </td> </tr> <tr> <td>Collaboration</td> <td> <ul style="list-style-type: none"> <li>As above</li> </ul> </td> </tr> <tr> <td>Involvement</td> <td> <ul style="list-style-type: none"> <li>New models can have more inclusive management and community engagement governance arrangements</li> </ul> </td> </tr> </tbody> </table>	Ways of Working Principle	Impact	Long-term	<ul style="list-style-type: none"> <li>Positive impact on longer-term service planning with greater independence</li> </ul>	Prevention	<ul style="list-style-type: none"> <li>Some new models will include services which have positive preventative impacts for people</li> </ul>	Integration	<ul style="list-style-type: none"> <li>New models can include collaborative models with partners which integrate like services under one model</li> </ul>	Collaboration	<ul style="list-style-type: none"> <li>As above</li> </ul>	Involvement	<ul style="list-style-type: none"> <li>New models can have more inclusive management and community engagement governance arrangements</li> </ul>
Ways of Working Principle	Impact												
Long-term	<ul style="list-style-type: none"> <li>Positive impact on longer-term service planning with greater independence</li> </ul>												
Prevention	<ul style="list-style-type: none"> <li>Some new models will include services which have positive preventative impacts for people</li> </ul>												
Integration	<ul style="list-style-type: none"> <li>New models can include collaborative models with partners which integrate like services under one model</li> </ul>												
Collaboration	<ul style="list-style-type: none"> <li>As above</li> </ul>												
Involvement	<ul style="list-style-type: none"> <li>New models can have more inclusive management and community engagement governance arrangements</li> </ul>												

	Impacts will be evaluated in the specific reports which will follow.
4.03	A successful programme will also have multiple impacts on the seven well-being goals of the Act for a Wales which is prosperous; resilient; healthier, more equal, cohesive, vibrant and globally responsible. Impacts will be evaluated in the specific reports which will follow.

<b>5.00</b>	<b>APPENDICES</b>
5.01	None.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS AND CONTACTS</b>
6.01	<p><b>Contact Officer:</b> Colin Everett  <b>Telephone:</b> 01352 702101  <b>E-mail:</b> <a href="mailto:chief.executive@flintshire.gov.uk">chief.executive@flintshire.gov.uk</a>  <a href="mailto:stephen.o.jones@flintshire.gov.uk">stephen.o.jones@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Alternative Delivery Models (ADMs)</b> – different service models, to the current, for the future of Council services e.g. trading companies, social enterprises, contracting-out</p> <p><b>Well-being of Future Generations Act</b> – legislation of the National Assembly for Wales which requires devolved public bodies to plan sustainably for the future</p>