

Report of the Cabinet Member for Transformation and Performance

Cabinet 15 October 2015

COMMISSIONING REVIEWS: RESIDENTIAL & OUTDOOR CENTRES, BUSINESS SUPPORT AND NON SCHOOLS BUILDING CLEANING

Purpose:	This report outlines the background to the <i>Sustainable Swansea – fit for the future</i> commissioning review programme and sets out the findings and proposals from reviews for the future delivery of: <ul style="list-style-type: none">• Residential & Outdoor Centres• Business Support• Non Schools Building Cleaning
Policy Framework:	<i>Sustainable Swansea – fit for the future</i>
Reason for Decision:	A Cabinet decision is required following the Commissioning Reviews for Residential & Outdoor Centres, Business Support and Non Schools Building Cleaning
Consultation:	Cabinet Members, Executive Board Legal, Finance and Access to Services
Recommendation(s):	
	Residential & Outdoor Centres
1)	That the new model of Option 2 is implemented which is to Transform in house with phased implementation of staff restructure, closure of 1 site, Danycoed due to the backlog of maintenance issues , in July 2016 with a view to seek an alternative operating model in the future. Appendix A
2)	Appoint a Centre Manager to have overall control of the centres and to drive forward change and review the vision and strategic business plan.
	Business Support Services
1)	That the new model for Business Support for the Council is adopted as outlined in the Review report at Appendix B
2)	That the new model is delivered through In-House Transformation
3)	That the Director of Corporate Services is authorised to implement the new model as outlined in the Implementation Plan set out in Appendix B

Non Schools Building Cleaning

- 1) The new model for Non-Schools Building Cleaning for the Council is delivered through a Transformed In-House model as outlined in Appendix C
- 2) That the Chief Operating Officer is authorised to implement the new model as outlined in the high-level Implementation Plan

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1.0 Purpose & Summary

1.1 This report:

- *Provides a reminder of the policy and financial context for the commissioning reviews*
- *Summarises the process that we have undertaken to get to this point*
- *Sets out the outcomes and recommendations from the Commissioning Reviews for Residential and Outdoor Education, Business Support and Non- Schools Building Cleaning*
- *Outlines the implementation process*

1.2 This is the first in a series of reports that Cabinet will receive on the Commissioning Review programme, as each of the Reviews proceed through the agreed process.

1.3 Individual reports for each of the three Reviews are contained in the attached Appendices, which themselves contains other Appendices with further detail about the review process, findings and proposals.

1.4 For each Review there is a considerable amount of background papers, including the 2 Gateway Reports, appendices, workshop notes and so forth. The amount for each review varies, depending on the complexity of the stream, but it is clearly impractical to circulate all of this. However, additional papers can be made available to Members on request.

2.0 Policy Context for Commissioning Reviews

2.1 Commissioning Reviews are being undertaken for all services provided by the Council as part of the New Models of Delivery Workstream of *Sustainable Swansea – fit for the future*.

2.2 We have defined Commissioning in Swansea as follows:

The process of identifying community needs, specifying the outcomes to be achieved, deciding how best to deliver these and monitoring delivery

2.3 The key features are as follows:

- *It is about outcomes and transformation... not just modifying services*
- *It addresses the fundamental question... why do we do what we do?*
- *It needs to be strategic... a whole system view, not just the Council*
- *It is evidenced based... if we aren't getting results we should change*
- *It is a continual process... securing long term continuous improvement*
- *It is the key process for finding ways to deliver outcomes at lower costs*

2.4 Commissioning is not outsourcing, procurement or contracting. What matters is what works - a mixed economy of provision is therefore more likely.

2.5 These Reviews are expected to make a significant contribution to the aims in *Sustainable Swansea*:

- *Service transformation*
- *Financial sustainability*
- *Better outcomes for residents*

3.0 Financial Context for Commissioning Reviews

3.1 Commissioning Reviews are fundamental to meeting the £80m challenge and changing how we do things.

3.2 The Medium Term Financial Plan 2016-19 sets out the strategic savings targets for the Council and specific service blocks over the next 3 years as follows:

Service	Current Budget £m	Percentage Reduction/ Increase over 3 Years	Amount Realised £m
Schools & Education	159.5	-15	-23.9
Social Care – Child & Families	39.1	-15	-5.9
Social Care- Adults	65.6	-20	-13.1
Poverty & Prevention	3.5	+5	+0.2

Place	54.0	-50	-26.5
Corporate Services	25.1	-50	-12.5
Total	346.8m		-81.7m

3.3 The indicative potential savings targets within *Sustainable Swansea* are as follows:

Workstream	2016/17 £m	2017/18 £m	2018/10 £m
Efficiency	5	10	15
New Models of Delivery	10	20	30
Prevention	2	6	8
Stopping Services	3	6	9
Total	20	42	62

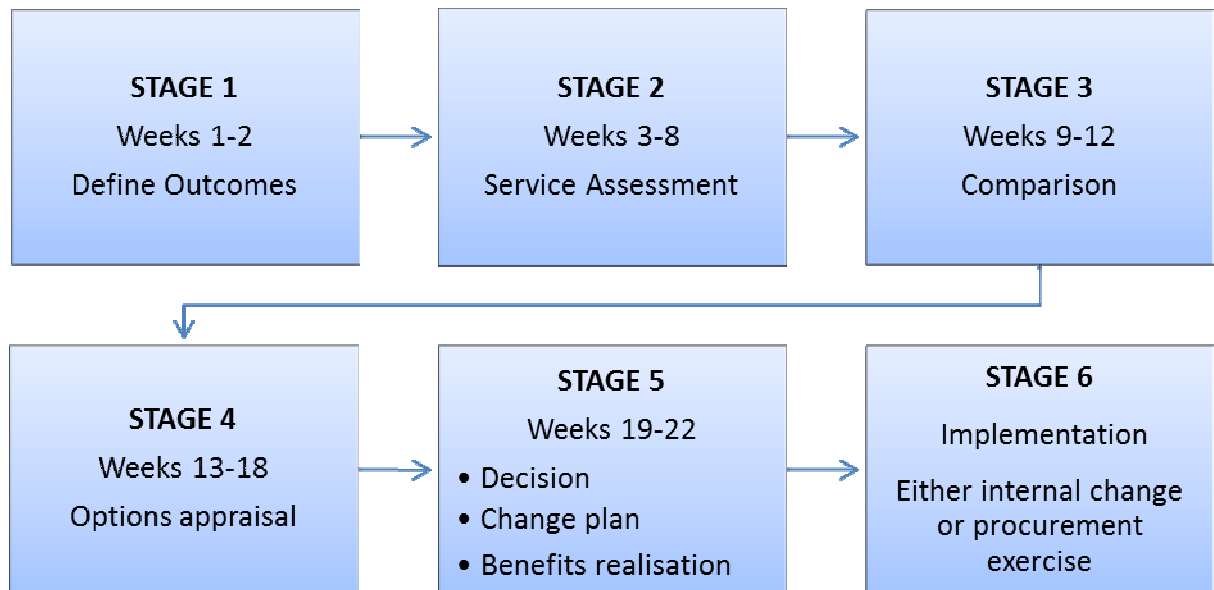
3.4 In formulating proposals the Commissioning Reviews have borne in mind:

- The relevant MTFP savings target
- The range of delivery strands within *Sustainable Swansea* that can contribute to service transformation, savings and additional income

3.5 The financial implications of each Review are set out in the Appendices.

4.0 Commissioning Review Process

4.1 Reviews have followed a staged and gateway approach



4.2 Gateways determine whether a Review can proceed to the next stage.

4.3 We have now reached Stage 5: a report that brings together all the work so far to tell the story of the Review, the findings, the proposals and how they might be implemented.

4.4 This report deals with three Reviews from the first round of Commissioning Reviews as follows:

- Residential & Outdoor Centres
- Business Support
- Non Schools Building Cleaning

4.5 Other Reviews will be reported to Cabinet at future meetings.

5.0 Review Findings - Summary

5.1 The findings from each stage of the Review are set out in the attached Review Reports (and in more detail in the two Gateway Reports).

5.2 The table below provides a summary of the key Proposals from each Review:

Review	Proposals
Residential & Outdoor Centres	<ul style="list-style-type: none"> • The agreed core purpose of the Residential and Outdoor Activity Centres in Swansea is: <i>“To provide educational outdoor activity opportunities for children, young people, families & schools on the Gower in a Sustainable way”</i> • Following the option appraisal matrix, Option 2 was the preferred model which is;

	<ul style="list-style-type: none"> • Transform in house with phased implementation of staff restructure, closure of 1 site, Danycoed due to the backlog of maintenance issues, in July 2016 with a view to seek an alternative operating model in the future. • Appoint a centre manager to have overall control of the centres and to drive forward change and review the vision and strategic business plan. • By implementing this option it will allow the continuation of a sustainable way of providing opportunities for Children, Young People, Families and Schools on the Gower and maintaining our relationships and offer to Schools through the two remaining sites
Business Support	<ul style="list-style-type: none"> • The adoption of a radical new model for business support that has 3 distinct but inter-related components: <ul style="list-style-type: none"> ○ a strong strategic centre (<u>for the Council not for corporate services</u>) ○ a small corporate advisory unit ○ an integrated business hub, covering all Council functions • Transformation of existing business support in line with the common design principles to provide a clear, consistent and integrated framework for service redesign • The transfer of all business support functions, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply the model is not viable and savings will not be achieved unless this happens • A strong preference for the in house transformed model to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will need to think like a business, even if we are still an in house service • Whole system change across the Council, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand

	<p>and support the change</p> <ul style="list-style-type: none"> • Agree a change plan and engagement strategy with strong messages about the future and branding for the new model, demonstrating the benefits to residents, the Council, Services and employees • Establishment of a transition team to develop the new model, work with each Service Area and Schools on customer needs and to support and develop managers' capabilities to fulfil their responsibilities and to self-serve • Adoption of a digital business strategy: this must be the central driver for our future strategy as a Council and, therefore, for business support • Produce a business case which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign • A workforce development plan setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff • A phased approach to delivery • Reductions in costs and staffing (see Financial Implications section) • A pragmatic, benefits driven approach about the future development of the model, including opportunities for shared services/collaboration, right sourcing and trading
<p>Non Schools Building Cleaning</p>	<ul style="list-style-type: none"> • Implement a Transformed in house model as outlined: Amalgamation of schools and non-schools cleaning services – ‘one service’ – <i>This change is essential to enable the successful implementation of a transformed building cleaning in-house service.</i> Clear cleaning requirements based on site by site & client needs analysis – develop output specifications and specialist SLA's • Explore other commercial opportunities to expand Trading in the service area, e.g. provision for Cleaning Services for Older People, schools (janitorial service Changing and modernising current working practices

	<p>(site pilots)</p> <ul style="list-style-type: none"> • New Staff Structures (drive cultural change) • Building Cleaning Manual - Educational Programme for Building Staff users and Staff • Monitor cleaning materials spend by apply a coding system to materials to establish exact costs per establishment • The new model will allow an opportunity to explore income generation and a mixed service models were appropriate to ensure the service is sustainable and mitigate staff reductions, where ever viable. • Establishment of a transition team to develop and implement the new Service
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6.0 Implementation

6.1 Subject to Cabinet’s decisions, the implementation process will be as set out in each Review report.

6.2 In addition to the specific actions required for each Review, it is proposed that we adopt an overarching approach to the Commissioning Review programme covering:

- *Consultation*
- *Communication messages*
- *Resourcing implementation*

6.3 The key issues are summarised in the table below.

COMMISSIONING REVIEWS: IMPLEMENTATION

Consultation	
<p>We will adhere to the specific consultation requirements arising from the Review proposals for:</p> <ul style="list-style-type: none"> • Residents • Employees • Trade Unions (including section 188) • Partners • Welsh Government 	<p>All Reviews</p> <ul style="list-style-type: none"> • A communication and engagement plan will be out in place for each Review <p>Residents</p> <ul style="list-style-type: none"> • Each Review will comply with any statutory requirement to consult residents • We will have an overarching communication and consultation on the issues that will be of public interest <p>Employees</p> <ul style="list-style-type: none"> • All Reviews will require staff consultation. There will be a general narrative for all staff, with specific but co-ordinated consultation with the groups affected by each proposal • There will be “joined up” support, led by the HR Service, for staff who are concerned about the impact

<ul style="list-style-type: none"> Regulators 	<p>of change and outplacement support for those who are made redundant</p> <p>Trade Unions</p> <ul style="list-style-type: none"> TUs were briefed on the Review Programme before it commenced and have also been invited to Review workshops The clear intention is to involve the TUs in the implementation of each Review as appropriate We will use both existing informal meetings and JCC meetings for this We will start formal consultation with the TUs about new structures and/or potential redundancies when we have a clear view on the impact of the proposals on specific groups of staff Formal Section 188 consultation will cover all the Reviews and other planned changes on a rolling basis as specific proposals become clearer <p>Partners</p> <ul style="list-style-type: none"> As part of the Communications Plan, each Review will identify the specific communication and consultation requirements ie: which partners are likely to be affected buy or have an interest in the proposals? <p>Welsh Government/Regulators</p> <ul style="list-style-type: none"> Similarly, each Review will identify the specific communication and consultation requirements with Welsh Government and any Regulators or Inspectorates
<p>Communication Messages</p>	
<p>In addition to specific consultation requirements, we will also have an overall narrative about the Review Programme as a whole to explain what we are doing, why and what the benefits will be</p>	<ul style="list-style-type: none"> A strong and compelling narrative is vital in being able to sell communicate changes to the public (and to other Members) We will be honest with people about where services will change or closures will take place, we will explain why this is required and what will be different and better about the future arrangements This will be put in place for the programme as a whole (linked to the existing <i>Sustainable Swansea</i> narrative) and for each Review
<p>Implementation</p>	
<p>We need to set out within each Review the key steps to implementation and the</p>	<ul style="list-style-type: none"> Stage 6 of the Review process is implementation All final review reports contain sufficient detail to give both a clear picture of what will happen when and confidence that this can be achieved As part of delivery, it will be necessary, for most reviews, to retain external support, largely for

<p>requirements for external support to achieve this, we also need to agree reporting arrangements to keep track of reviews</p>	<p>specialist knowledge and skills rather than additional capacity (which we should secure ourselves through reprioritisation)</p> <ul style="list-style-type: none"> • The <i>Sustainable Swansea</i> Delivery Programme contains our current approach to this, but we will ensure sufficient competition so that we are transparent and can be assured that we are getting the best outcomes and best value • We will put in place the right governance to track implementation; each Review will have its own project management; there will also be a simple highlight report available to Cabinet and Executive Board so we know we are on track and any issues can be resolved quickly
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7.0 Legal Implications

- 7.1 The legal implications of the Reviews are set out in each report.
- 7.2 The Council has powers under the Local Government Act 1972 to enter into a range of joint arrangements with other councils if a shared services solution is pursued for some aspects of business support.
- 7.3 The Council has powers to trade to generate additional income and to create alternative business structures for the delivery of its functions.

8.0 Financial Implications

- 8.1 The financial implications of the Reviews are set out in each report.
- 8.2 The Medium Term Financial Plan 2016-19 sets out the strategic savings targets for the Council and specific service blocks over the next 3 years as set out in Section 3 above.
- 8.3 The Commissioning Review programme is fundamental to meeting the £80m financial challenge. The proposals from each Review have had regard to the relevant MTFP savings target.

9.0 HR Implications

- 9.1 The HR implications of the Reviews are set out in each report.
- 9.2 Because of the financial targets that need to be met, there will be a significant reduction in posts at some stage under any option.
- 9.3 For all Reviews, consultation with staff and trade unions will take place and HR procedures followed to ensure that all staff have an opportunity to comment on the proposals and understand the process for assessment, appointments and the out placement support where appropriate.

10.0 Consultation

10.1 The Reviews have sought to engage stakeholders and obtain views from experience elsewhere as follows:

- *Updates to staff in affected services*
- *Senior Manager workshops*
- *Stakeholder Workshops on outcomes and alternative models, including Trade Union representatives and Scrutiny Members*
- *External advice and challenge from Gartner and Improvement & Efficiency Social Enterprise (IESE), APSE*
- *Report to the Executive Board*

10.2 The Communications Plan for implementation will cover all aspects of communication, engagement and involvement, including:

- Stakeholder map
- Key messages
- FAQs
- Engagement opportunities
- Staff Reference Group

10.3 A key objective will be to engage staff in the implementation of the proposals.

11.0 Equality

11.1 An EIA Screening Form has been completed for each review and a full EIA report will be required for both Business Support and Residential & Outdoor Centres.

11.2 Further detail is set out in each Review report.

Background Papers:

None

Appendices:

Appendix A – Residential and Outdoor Centres Review
Appendix B – Business Support Commissioning Review
Appendix C – Non Schools Building Cleaning Review