

**Joint Report of the Cabinet Members for Culture, Tourism & Major Projects and
Commercial Opportunities & Innovation**

Cabinet – 17 August 2017

**CITY & COUNTY OF SWANSEA
OPTIONS APPRAISAL FOR THE FUTURE DELIVERY OF SERVICES IN THE SCOPE OF
THE PLANNING & CITY REGENERATION COMMISSIONING REVIEW**

Purpose:	The purpose of this Options Appraisal is to outline the process, findings and proposed New Models of Delivery for the Planning & City Regeneration Commissioning Review
Policy Framework:	Sustainable Swansea: Fit for the Future
Consultation:	Corporate Management Team Cabinet Members Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that: 1) all aspects of the Planning & City Regeneration service are delivered through a transformed in house model 2) Cabinet notes the financial, HR and legal implications associated with each option as identified in paragraphs 4 – 10 of the report.
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Commissioning Gateway Review Report

Stages 3 & 4

Contains:-

1. Purpose of Report
2. The Review So Far
3. Stage 3 - Service Reviews
4. Development, Conservation & Design Options Appraisal
5. Strategic Planning & Natural Environment Options Appraisal
6. Development & Physical Regeneration Options Appraisal
7. City Centre Management Options Appraisal
8. Mobility Hire Options Appraisal
9. Swansea Market Options Appraisal
10. Economic Development & External Funding Options Appraisal
11. Key Issues Going Forward
12. Opportunities & Benefits
13. Conclusions & Recommendations
14. Equality
15. Implementation

Appendices

- Appendix A: Gateway 1 Report
- Appendix B: Additional Benchmarking Information
- Appendix C: Workshop Attendees
- Appendix D: Options Scoring Matrix
- Appendix E: Financial Information
- Appendix F: Equalities Impact Assessment
- Appendix G: Equalities Impact Assessment - Mobility Hire

REVIEW OVERVIEW

Commissioning Strand Lead:	Martin Nicholls
Service Review Lead:	Phil Holmes
Service Review Title:	Planning & City Regeneration – Gateway 2 Report

1.0 PURPOSE OF REPORT

1.1 This report has been produced following the approval by CMT and BPRG at Gateway 2 to proceed onto Stages 3&4 of the Commissioning Review process. The purpose of the report is to outline the benchmarking information and options appraisal for each cluster in Planning & City Regeneration, and to present recommendations on the most viable future options for the Service Area.

2.0 THE REVIEW SO FAR

2.1 Scope

As set out in Stage 2 of the process, all parts of the Planning & City Regeneration Service are in scope for the commissioning review. This encompasses:-

- Development, Conservation & Design
- Strategic Planning & Natural Environment
- European & External Funding and Economic Development Team
- Development & Physical Regeneration
- City Centre Management

2.2 Outcomes

The future outcomes identified and approved at Stage 2 consist of:-

Outcome	Outcome Detail	Corporate Priority
1 A vibrant and viable City Centre	<ul style="list-style-type: none">• <i>City Centre Regeneration Programme</i>• <i>City Centre Management</i>• <i>Vibrant and well managed Market</i>• <i>Continued Purple Flag status and Evening and Night Time Economy Strategy</i>• <i>Access to City Centre services</i>• <i>Swansea Bay City Deal</i>• <i>Swansea Central Area Regeneration Framework</i>• <i>Local Development Plan.</i>	Creating a Vibrant and Viable City and Economy, Tackling Poverty, Building Sustainable Communities.
2. A thriving economy at the heart of the city region	<ul style="list-style-type: none">• <i>Swansea Bay City Region Economic Regeneration Strategy</i>• <i>Swansea Bay City Deal</i>• <i>Inward investment activities</i>• <i>Strategic Employment Sites</i>• <i>Beyond Bricks & Mortar</i>• <i>Regeneration of Hafod Morfa Copperworks</i>• <i>Rural Development Plan</i>• <i>Swansea Bay FLAG</i>	Creating a Vibrant and Viable City and Economy, Tackling Poverty, Building Sustainable Communities.

3. A healthy urban and rural environment	<ul style="list-style-type: none"> • <i>Well-being goals and duties incorporated into corporate plans, policy and strategies</i> • <i>Measurably improved access to natural environment/open space and improvements to the built environment</i> • <i>Corporate Biodiversity Plan</i> • <i>Green Infrastructure Strategy</i> • <i>Open Space Strategy</i> • <i>Gower AONB Management Plan</i> • <i>Rights of Way Improvement Plan</i> 	Creating a Vibrant and Viable City and Economy, Building Sustainable Communities, Tackling Poverty, Improving Pupil Attainment, Safeguarding Vulnerable People.
4. Sustainable development within existing and new communities	<ul style="list-style-type: none"> • <i>Sustainable Development principles embedded in all decision-making</i> • <i>Measurably improved range and choice of places to live, work and enjoy leisure time</i> • <i>Adoption of LDP</i> • <i>Placemaking SPG adopted for LDP Strategic Development Areas</i> • <i>Urban design and conservation</i> • <i>Direct link to the council's overarching prevention strategy and future generation requirements</i> 	Creating a Vibrant and Viable City and Economy, Building Sustainable Communities.

2.3 Emerging Key Issues From Stage 2

The emerging key issues identified at Stage 2 of the review were:-

- The service currently receives significant amounts of EU funding. Despite the UK's exit from the European Union, EU funding sources remain active for the next 2-3 years meaning existing programmes are likely to run to 2021 as a minimum. Subject to the Brexit negotiations there is also the possibility that transitional arrangements and further funding opportunities may extend considerably beyond 2021
- A good range of other external funding sources have been identified and the European & External Funding Team is adding value by supporting teams across the Council that can make use of this funding in support of corporate priorities whilst providing a consistent approach to back office management of the funds and professional liaison with funding bodies.
- The plethora of new Welsh Government legislation and the emphasis on regional working in planning, transport and economic development will have an impact on the service.
- A change in shopping habits (including the move away from the high street to the internet) is redefining the role of city and town centres. This has necessitated a review of Swansea City Centre strategies / activities and influenced city centre regeneration proposals.
- A reduction in resources elsewhere in the Council (legal, HR, facilities, reduction in maintenance activities) is affecting the service's ability to deliver its priorities

2.4 Main Risks Identified:

- Failure to secure funding (e.g. Swansea Bay City Deal) would impact on ability to deliver regeneration proposals.
- Match funding can be difficult to source. Although external grants can often be matched against each other, funding from the applicant organisation is often seen as a marker of intent and commitment to a scheme.

- There is a high profile and expectation attached to the regeneration of Swansea City Centre, but only modest human and financial resources to deliver this.
- Delivery of outcomes is dependent on partnership working with a range of external partners.
- Failure to comply with statutory duties may lead to intervention by the Welsh Government, Natural Resources Wales or the Police, and could have significant financial and political implications.
- Delays to the LDP and a failure to adhere to the recently approved Delivery Agreement would be damaging in terms of the criticisms that it will generate from the Welsh Government and negative perceptions more generally in terms of the Council's ability to strategically plan for future development. It also increases risks and uncertainties associated with having no up to date planning policy to counter hostile applications on un-favoured greenfield sites (note the UDP is 'time expired' after 2016).
- Lack of maintenance, enhancement and promotion of the natural and built environment would result in a loss of ecosystem services, biodiversity and reduction in accessible natural greenspace – which would impact on health and wellbeing / quality of life.

3.0 STAGE 3 - SERVICE REVIEW

Planning & City Regeneration is a highly multidisciplinary service, with a breadth of complementary professional and operational services that join up to support Swansea's urban and rural economies. The work of the service is both strategic and high profile, with strong links to the corporate priorities, as evidenced by the service's lead role in the regeneration of the city centre, the preparation of the Local Development Plan and most recently the council's contribution to the Swansea Bay City Deal.

Financially, the service is punching above its weight. It generates significant income (£6.3m in 2016/17, which represented 68% of gross expenditure) and has a track of securing external funding for the Council (£60.1m 2007-13, £55m 2014-20, with a further £12.58m currently under consideration). It has also taken a significant pro-rata share of budget saving (£1.36m since 2013/14) as part of the Council's response to austerity measures and has consistently delivered against targets.

The Planning & City Regeneration service has 150 employees, 20% of whom are grant or externally funded. In recent years the service has deleted a significant number of senior management and team leader level positions in response to budget savings and ER/VR requests. These reductions have, in the main, been absorbed within the service, reducing management tiers and spans of control. There have been 20- ER/VR reductions within the service since 2010 - which represents over 10% of total staff numbers. Responses to the staff survey show above average levels of satisfaction amongst staff, with the service area scoring higher than the council average for all but one question.

Given the breadth of activities delivered by P&CR, services were broken down in to clusters for more detailed consideration in Stage 3 and 4 of the review. The clusters being:-

Cluster 1 - Development, Conservation & Design

Cluster 2 - Strategic Planning & Natural Environment

2a. Countryside Access Team

2b. Gower Area of Outstanding Natural Beauty (AONB) Team

2c. Nature Conservation

2d. Landscape Design

2e. Strategic Planning

2f. Sustainable Development

Cluster 3 - Development & Physical Regeneration

Cluster 4 - City Centre Management

Cluster 5 – Mobility Hire

Cluster 6 – Swansea Market

Cluster 7 – Economic Development & External Funding

Each cluster was reviewed in terms of:-

- What it currently provides.
- Good practice identified elsewhere.
- Service changes proposed

3.1 CLUSTER 1 – DEVELOPMENT, CONSERVATION & DESIGN

3.1.1 The Development, Conservation & Design section comprises 40FTEs and delivers the Council's statutory responsibilities in the regulation of the development and use of land through the processing of in excess of 2,000 planning and related applications and the investigation of approximately 500 enforcement cases per annum. It also provides a central admin function and a specialist urban design and conservation service including the provision of design and heritage advise, preparation of design guidance and policy and input into public realm initiatives.

3.1.2 Performance Overview/ Good Practice Identified:

- The Welsh Government Development Management Quarterly Survey¹ demonstrates that Planning Services is now consistently achieving top quartile performance in Wales for key indicators following the investment made in new technology, business process re-engineering and governance/scheme of delegation changes.
- The 2015/16 Annual Performance Report (APR) indicates customer satisfaction levels are above the Welsh average for the planning advise provided.

3.1.3 Financial Summary

The gross expenditure on Development, Conservation & Design service in 2016/17 was £1,850,000, broken down across the following budget areas:

25002	Design & Conservation	£124,500
25025	Planning Applications	£1,162,600
25026	Planning Administration	£287,200
25035	Planning Enforcement	£275,700
	Total Budget	£1,850,000

The Development, Conservation & Design service generated £1,116,091 of income in 2016/17, which represented 60% of gross expenditure.

Code	Description	Sum	Examples
25002	Design & Conservation	£200	Advise on works to listed buildings
25025	Planning Applications	£1,112,791	Planning application fees and fees for fee application advise
25026	Planning Administration	£3,100	Photocopying and planning history searches

¹ <http://gov.wales/topics/planning/planningstats/development-management-quarterly-survey/?lang=en>

25035	Planning Enforcement	£0	
	Total Income	£1,116,091	

When taking account of the income generated by Development, Design & Conservation, the Council's net expenditure on the service in 2016/17 was £733,909, broken down as shown below:

25002	Design & Conservation	£124,300
25025	Planning Applications	£49,809
25026	Planning Administration	£284,100
25035	Planning Enforcement	£275,700
	Net Expenditure	£733,909

3.1.4 Benchmarking

Development Management: Benchmarked against the All Wales Annual Performance Report (2015/16) for Local Planning Authorities in Wales. It indicates a consistent approach to in-house provision of the statutory development management service. Few Local Planning Authority have the same structure or level of resources and there are few examples where the statutory planning service sits within the same service area as the economic development function.

Urban Design and Conservation: The majority of cities in England and Wales have design and heritage expertise within the Council to capture the maximum benefit for the public good through the exercise of the development management function and through Council regeneration projects. These functions are often combined into a team or single individual and they are usually embedded into the development management service area. For example Cardiff, Bristol, Plymouth, Gloucester, Bath all have design and heritage officers/ teams. The importance of 'Place Leadership' to deliver placemaking and quality at the Council level is currently being emphasised by both the Welsh Government and the Design Commission for Wales as a key element of the Well Being of Future Generations Act. As there is no Conservation Officer in Neath Port Talbot, there is an opportunity for Swansea to offer this service to a neighbouring authority. Furthermore as both Neath Port Talbot and Carmarthenshire do not have imbedded design advisors there is also scope for the City and County of Swansea to offer a collaborative design service to advise on strategic projects within the Swansea Bay City Region.

Land Searches & Charges: The land charges and searches function is furnished by 7 separate departments within the Authority with fee income circa £200K retained by Legal Services, which covers staffing, IT and other service provision costs. Benchmarking against the London Borough of Newham indicates that this service can be provided more efficiently by a core land charges team with access to all relevant systems which would provide an efficient, resourced and timely service to the public. The location of the core team will need to be explored further. Our benchmarking also revealed that Flintshire County Council have a land charges and searches function which is provided directly by the Development Management Team.

Additional benchmarking information is presented in Appendix B.

3.2 CLUSTER 2 – STRATEGIC PLANNING & NATURAL ENVIRONMENT

3.2.1 The Strategic Planning and Natural Environment (SP&NE) section provides a robust strategic planning and policy framework, maintains, enhances and promotes the built and natural environment for all, and integrates Sustainable Development principles into the delivery of all Council Services. The section comprises six teams covering the following service areas:

- Countryside Access – Team of six officers who carry out the Council’s statutory duties in relation over 400 miles of Public Rights of Way (RoW) and 32 square miles of Access Land including the Gower Coast Path.
- Gower Area of Outstanding Natural Beauty (AONB) Team - conservation and enhancement of the Gower AONB.
- Nature Conservation - Team of 7 officers (5 FTEs) responsible for enhancing the natural environment and meeting the Council’s statutory biodiversity duties. The team manages Bishop’s Wood Countryside Centre at Caswell, which provides opportunities for outdoor learning.
- Landscape - Three officers who provide a landscape architecture and arboricultural advise/ tree preservation service. It is the only team in the SP&NE section set up to be income earning, with a net annual budget totalling just £28k.
- Strategic Planning - production of the Local Development Plan (LDP), Supplementary Planning Guidance (SPG) and development strategies.
- Sustainable Development (SD) – The team has recently reduced from 3.4 FTE to 1.6 FTE following resignation of the team leader and a policy officer. The SD team is the corporate lead for adoption and accountability of the Wellbeing of Future Generations (WFG) Act across the Council, as well as supporting services to embed SD in corporate procedures and practice. The team also led on Renewable/Smart Energy but this has been divested following the staffing reductions.

3.2.2 Performance Overview/ Good Practice Identified:

- Significant progress in preparation of the LDP over the past year. The Deposit LDP has been written, agreed by Council and consulted upon.
- The Council became an early adopter for the WFG Act, as a result of the work of the SD Team.
- UK Most Sustainable Public Sector Platinum Award, awarded to SD Team in 2015
- Sustainable Public Sector Sustain Wales Award, awarded to SD Team in 2015
- New income streams created, with both the SD and Nature Conservation Teams earning consultancy income in 2016/17.

3.2.3 Financial Summary

The gross expenditure on SP&NE in 2016/17 was £1,625,391, broken down across the following budget areas:

Code	Description	Sum
25001	AONB	£183,800
25005	Countryside Access	£361,866
25003	Landscape	£141,100
25004	Nature Conservation	£332,836
25036	Strategic Planning	£425,600
42560	Sustainable Development	£180,189
	Total Budget	£1,625,391

SP&NE generated £527,902 of income in 2016/17, which represented 32% of gross expenditure.

Code	Description	Sum	Examples
25001	AONB	£105,000	Natural Resources Wales (NRW) grant for AONB Management Plan & Sustainable Development Fund (SDF) grant
25005	Countryside Access	£102,666	NRW grant
25003	Landscape	£113,100	Inter-service credits
25004	Nature Conservation	£183,136	WG grant, RSPCA wetlands project
25036	Strategic Planning	£0	
42560	Sustainable Development	£24,000	Commercialisation of services
	Total Income	£527,902	

When taking account of the income generated by SP&NE the Council's net expenditure on the service in 2016/17 was £1,097,489, broken down as shown below:

Code	Description	Sum
25001	AONB	£78,800
25005	Countryside Access	£259,200
25003	Landscape	£28,000
25004	Nature Conservation	£149,700
25036	Strategic Planning	£425,600
42560	Sustainable Development	£156,189
	Net Expenditure	£1,097,489

3.2.4 Benchmarking

Benchmarking analysis has been carried out for all the areas covered by SP&NE. The main findings of this analysis are:

- Structures and local conditions vary across each local authority and there is no other direct comparator that delivers the same combination of services, and is addressing the same local needs as SP&NE.
- No local authority has outsourced its RoW function.
- Since RoW searches became a statutory requirement in 2016, Countryside Access Officers have spent 20% of their time dealing with search enquiries, which has reduced project delivery time. Support provided by Legal Services (which was shared with NPTBC) has reduced from 3 officers to less than 1 in recent years. Unlike other Local Authorities, CCS has not increased its search fees to reflect this additional work. All search fee income is retained by Legal Services, which does not reflect the time contribution from the RoW Team and others such as Development Control and Highways. Since July 2016 the team have dealt with nearly 1500 search enquiries. At a nominal charge of £10/search this represents a potential lost income stream of £15k (potentially rising to £20k over the course of a year).
- The RoW Ranger service costs £61k/annum with on-costs. Cessation of this service would not be a saving as the Council's statutory duty to maintain the RoW network would need to be met. This would have to be fully contracted out to the private sector or a

partner organisation. Review of private sector rates shows that works such as resurfacing paths, installation of gates, bridges, signposts, drainage, etc which are the primary responsibility of the Ranger Team (i.e. the skilled labour as opposed to the manual vegetation clearance) can be carried out cheaper in house. Whilst the rates are comparable with the private sector (£255/day for the 2-man Ranger Team and £130/individual contractor /day) the Ranger Team's rates include specialist machinery such as diggers whilst hire of this equipment would be in addition to the contractor's cost. Other savings are also made through bulk buying a supply of materials rather than one-off supply and delivery by a contractor. Therefore loss of the Ranger Team would lead to a reduction in the extent of improvement works that could be funded, reduced performance and, unless ring-fenced, the budget would constantly be at risk of further cuts without consideration of service needs.

- All AONBs in England and Wales have dedicated AONB staff. Anglesey and Llyn AONBs are the only two similar to Gower in terms of size, location within a single Local Authority and managed by a small core team. All three are limited in their effectiveness when compared with other AONBs in terms of resources, public and political profile, securing income and servicing projects. Diminishing resources have reduced the ability of all AONBs to engage with and adapt to new ways of working, with increasing reliance on external funding and partnership working with other organisations and service areas for delivery of projects.
- Within the Nature Conservation Team, significant officer time is spent providing Knotweed advice that is mostly not relevant to the team's portfolio. It is an issue that should be dealt with corporately, especially given recent case law. There is no advantage to continuing to provide this service to private landowners, mortgagees, etc. unless they are prepared to cover staff time and costs.
- There is potential for income generation from land/building assets - Bishop's Wood could be run as a fee earning outdoor learning centre, charging for school visits/ outdoor nursery. There is also potential to create a post which supports Outdoor Learning/Wellbeing initiatives in schools which could include work on Council sites such as Bishop's Wood, but also work in school grounds and other greenspaces. An active ongoing partnership has already been developed with the Council's Outdoor Activity Service, which has led to the co-delivery (with the Helping Hands Service) of two half day outdoor "bushcraft" workshops at Bishop's Wood, and a residential outdoor wellbeing activity weekend at Borfa House for staff and their families. Similar future events are planned.
- Other opportunities include maximising income from grazing licences which benefit biodiversity to provide a fund for other management works; charging for walks/events; linking with Helping Hands to establish a tree nursery, grow and sell biomass crops, etc. This would be a medium term option and no specific income stream could be identified for 17/18. Most Welsh Local Authorities offer Tree Protection Services. Swansea's specialist arboriculturist provision (1 officer) is low compared with other Local Authorities of similar size (Basingstoke* & Deane has 11.2 FTEs).
- Swansea, Merthyr and Cardiff Councils are the only Welsh local authorities actively promoting a Landscape Design and Consultancy Service. Typical Hourly Charge-Out Rates for Local Authority landscape architects range from £45-£90 (for example Cardiff Council charge £60/hr for qualified landscape architects) and are competitive with private practice rates (£60 - £112/hr).
- All Local Authorities in England and Wales have Forward Planning Officers dedicated to providing a planning framework to guide development and make clear and consistent decision making. The size of Strategic Planning teams generally reflects the size of the local population rather than the size of the Local Authority and also fluctuates dependent upon the stage of Development Plan preparation and review which is an iterative process.

However no two Local Authorities have the same resources, expertise or local circumstances, which makes benchmarking of activities difficult

- CCS has a much smaller Sustainable Development team than comparative organisations (Public Health Wales and Cardiff Council) and is the only local authority to have commercialised its activities (£20k consultancy income in 2016/17).

3.3 CLUSTER 3 – DEVELOPMENT & PHYSICAL REGENERATION

3.3.1 The Development & Physical Regeneration Team comprises of 14FTEs and was formed in 2015 through the merger of the Physical Regeneration and Property Development teams. Since then 3 senior staff have also retired and none of these posts have been re-filled. The team is supplemented by a term agreement with Cushman & Wakefield property advisers who provide specialist advice and support in the delivery of city centre projects. The blend of In House resources supplemented by external specialists provides a good balance between the cost of delivery and the specialist skills required for delivery.

The team's role is the council's developer interface for major & complex property development schemes. This team is involved in the delivery of high profile city centre development and regeneration projects such as Swansea Central, Kingsway, Civic Centre Site masterplan, leading the preparation of Swansea's City Deal bid, preparing planning strategies such as the Swansea Central Area Regeneration Framework, delivering the Viable and Vibrant Places programme. It is also responsible for delivery of a number of other regeneration projects including Swansea Vale, Felindre and Hafod Copperworks working in partnership with WG, Swansea University along with a number of other projects either for the Council or in collaboration with other organisations or private sector investors.

Current constraints to ongoing delivery are the number of vacant posts within the team, the loss of key staff in other Council departments that support the team e.g. Legal, and access to archived information..

Recent workloads on the City Deal and enabling major City Centre regeneration projects have been significant and challenging to key team members and support staff, and needs to be addressed alongside future proofing through succession management to enable a sustainable approach to delivery.

3.3.2 Performance Overview/ Good Practice Identified:

- High profile City Centre regeneration programme being delivered to support corporate objectives.
- £22.25m of inward investment secured in 2015/16 related to property based projects where the Council owned the land

3.3.3 Financial Summary

The gross expenditure on Development & Physical Regeneration in 2016/17 was £1,529,398, broken down across the following budget areas:

42484	Swansea Vale Joint Venture	£118,600
42483	Development Projects	£695,798
42328	Spatial development	£248,700
42485	Felindre Joint Venture	£0
42486	St David's Shopping	£259,100
42487	Vibrant & Viable Places	£0

42488	City Centre Regeneration	£207,200
	Total Budget	£1,529,398

Note - Revenue budget position is under review to reflect current and proposed city centre regeneration projects.

Development & Physical Regeneration generated £703,130 of income in 2016/17, which represented 46% of gross expenditure.

Code	Description		Examples
42484	Swansea Vale Joint Venture	£50,000	Rental income
42483	Development Projects	£27,800	Fees
42328	Spatial development	£0	
42485	Felindre Joint Venture	£20,000	Rental income
42486	St David's Shopping	£542,500	Car parking, rental income
42487	Vibrant & Viable Places	£62,830	Rental income
42488	City Centre Regeneration	£0	
	Total Income	£703,130	

When taking account of the income generated by Development & Physical Regeneration, the Council's net expenditure on the service in 2016/17 was £826,268, broken down as shown below:

42484	Swansea Vale Joint Venture	£68,600
42483	Development Projects	£667,998
42328	Spatial development	£248,700
42485	Felindre Joint Venture	-£20,000
42486	St David's Shopping	-£283,400
42487	Vibrant & Viable Places	-£62,830
42488	City Centre Regeneration	£207,200
	Net Expenditure	£826,268

3.3.4 Benchmarking

Benchmarking has been undertaken to identify how other Local Authorities are providing their service. It is very difficult to compare the service that Swansea provides as different local authorities undertake regeneration in different ways and therefore set up their teams in different ways to match their delivery needs. Cardiff are focused on supporting developers to deliver in their city as the private sector is prepared to deliver. It is interesting to note that Carmarthenshire have recently set up a specialist development team along similar lines to Swansea.

Many local authorities are now supplementing their in house team with private sector advisers.

Cost Comparison

We have looked at our cost of providing the service and compared this to delivery by the private sector. The Table below demonstrates hourly staff costs. Since staff are our prime costs this is believed to be the most effective way of benchmarking.

CCS	Hourly Rate	Private	Hourly Rate
Strategic Manager	£35.25	Senior Director	£250
Team Leader	£32.55	Associate Director	£160
Principal Development Surveyor/ Regeneration Manager	£28.44	Senior Surveyor	£120
Surveyor	£25.68	Surveyor	£100

CCS rates do not include profit and reflect lower accommodation and administration costs.

Whilst no adjustment has been made to reflect non-chargeable time such as training and holidays, the amount of difference between the CCS and private sector rates is so significant. It can be seen that the cost of outsourcing the service would be a very expensive option.

As a cross check we have also costed delivery of certain projects within the Work Plan to establish competitiveness. The calculating takes into account the cost of all Property Development Staff involved in delivery of the projects over the next 5 years e.g.

Swansea Central £306,168
Digital Village (Kingsway) £110,380

This compares competitively with private sector rates.

It is acknowledged that the existing team needs to be supplemented by private sector professional advisors and it is envisaged that this needs to continue. However, careful management of this means the Council benefits from up to date market knowledge and advise whilst its officers do the bulk of its work. Therefore supplementing the internal team with appropriate external support creates a fit for purpose and value for money mechanism for service delivery.

If the service were to be outsourced to a different organisation CCS would still need to retain a team, albeit smaller, as an intermediary between the consultants and the Council, to liaise with other departments and provide strategic advice to Members

Detailed direct comparison with other Councils in terms of cost has not been possible as they are organised on a different basis. This is not considered to be an issue as staff costs are likely to be very similar and consultant costs are always procured to ensure value for money.

Review of Staffing Levels

As part of the benchmarking exercise a review of staffing levels compared to the workplan has also been undertaken. The team has an established workplan divided into three sections:-

- Projects.
- Strategic Sites.
- Facilitating Investment.

The current structure to deliver the agenda of the Property Development Team are:-

Strategic Manager - grade 12- 1 post

Team Leader - grade 11 - two posts

Senior Development Surveyors- grade 10 - 6 posts.

Development Surveyor- grade 9- 1 post

Project Support - grade 8 - 3 post

Surveyor - grade 8 - 4 posts (1part time)

Technical Officer - grade 5 - 2 posts part time.

There are therefore 19 posts that equates to 18 FTE. However there are currently a number of posts which are vacant, these are team leader, two grade 10 posts and three grade 8 posts. It is fundamental to fill these posts to ensure delivery of the Council's regeneration agenda.

3.4 CLUSTER 4 – CITY CENTRE MANAGEMENT

3.4.1 CCM, which employs 7 full time (2 on a reduced hour basis) and 1 part time officer, engages with a broad range of internal and external partners including Swansea BID to oversee the co-ordination of operational activities across the City Centre and develops and delivers cross cutting projects and improvements that aim to enhance the appeal of the City Centre offer supporting the City Centre regeneration programme.

CCM oversees on-street activities including the popular commercial lettings and street trading schemes and coordinates these and access to the area via the 4 City Centre Rangers who patrol the City Centre 7 days a week engaging with customers and businesses, identifying and rectifying defects and issues, developing maintenance related projects as well as managing anti-social behaviour.

CCM provides strategic leadership in terms of Swansea Market, Swansea Mobility Hire, the City Centre's vibrant evening and night time economy and also monitors the performance of the area across both its day and night sectors. The delivery of key events and marketing activities including the annual Christmas Market and Christmas lights programme are also a key CCM priority.

3.4.2 Performance Overview/ Good Practice Identified:

- CCM is recognised for its best practice by the Association of Town Centre Management and NAMBA.
- CCM led the achievement of Swansea City Centre's Purple Flag status in February 2015 for its evening and night time economy, which was renewed in 2016 and June 2017
- 2015 Finalist for 'Internal Service Team of the Year' for the City Centre Rangers in APSE Service Award
- High levels of customer satisfaction with City Centre Rangers and CCM run events.
- City Centre Management incepted Wales' first ever Business Improvement District (BID).

3.4.3 Financial Summary

The gross expenditure on City Centre Management in 2016/17 was £506,400, against the following budget code:

42251	City Centre Management	£506,400
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City Centre Management generated £170,800 of income in 2016/17, which represented 33% of gross expenditure.

Code	Description	Sum	Examples
800001	Fees & Charges	£15,000	Street trading fees
800025	Contributions Local Authorities	£5,000	Internal re-charges for services & projects
800026	Contributions Other Orgs	£101,100	Christmas Market/ event

			fees & contributions from BID
800027	Contributions Private Contractors	£10,000	External charges for services & projects
800156	Rents/ Hire Income	£39,700	Commercial Lettings fees
	Total City Centre Management Income	£170,800	

When taking account of the income generated by City Centre Management, the Council's net expenditure on the service in 2016/17 was £335,600. However the CCM budget should be seen in the context of other budgets overseen by the Service including Swansea Market (Cluster 6) which derives a significant surplus.

	City Centre Management Net Expenditure	£335,600
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3.4.4 Benchmarking

The Association of Town Centre Management (ATCM), the sector's leading body, recognises that that of its 400 town and city centre management practitioners no two services are the same however the majority focus on the execution of cross cutting partnerships to develop and implement shared visions, strategies and actions plans.

The ATCM membership consists of a mix of publically funded town centre managers, Business Improvement Districts (BID), Community Interest Companies (CIC's), Town Teams and more. They span across the private, public and voluntary sector, as a collective, and do not usually have a sector specific agenda rather they focus on the promotion of healthy places for the benefit of all stake-holders.

One area of the City Centre Management service where clear comparisons can be drawn is in regards to the City Centre Rangers Service.

There are multiple examples of Ranger type services being provided in towns and cities across the UK which demonstrates their value. The role of these teams is usually either ambassadorial as in Leeds, Sheffield and Newport and/ or environmental management as in Wolverhampton, Aberdeen and Leicester or a combination as per the model used in Swansea.

In terms of the management and funding of such services there appears to be a relatively even split between those overseen by BID companies and those that are run by local councils. The case in Swansea is that the Swansea BID covers 25% of the running costs.

Additional benchmarking information is presented in Appendix B

3.5 CLUSTER 5 – SWANSEA MOBILITY HIRE

3.5.1 Swansea Mobility Hire (SMH) is based within the Bus Station. It hires mobility equipment to enable those with disabilities and/or mobility issues to access the City Centre's shops and services through the provision of electric and manual scooters and wheelchairs.

The Service, which operates 6 days a week (Mon-Sat) and on Sundays in the run up to Christmas, employs 2 full time and 1 part time members of staff who also sell mobility merchandise, as well as hire lockers for luggage and shopping.

SMH has a target income of approx. £30,000 per annum which was achieved in the 2016/17 budget outturn and annual costs to the Authority are circa £94,000.

3.5.2 Performance Overview/ Good Practice Identified:

- High levels of customer satisfaction for Swansea Mobility Hire - a 2015 Customer Satisfaction Survey showed a 100% satisfaction rating of 'Very Good' of the staff, 90% of the waiting time, 90% of the equipment, 85% of the building, 80% regarding the value of the Service and 75% of the opening times.

3.5.3 Financial Summary

The gross expenditure on Mobility Hire in 2016/17 was £124,800, against the following budget code:

42252	Swansea Mobility Hire	£124,800
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Mobility Hire generated £30,700 of income in 2016/17, which represented 25% of gross expenditure:

Code	Description	Sum	Examples
800001	Fees & Charges	£28,400	Hire of mobility equipment & left luggage lockers
800236	Miscellaneous Income	£2,300	Sale of merchandise
	Total Swansea Mobility Hire Income	£30,700	

When taking account of the income generated by Mobility Hire, the Council's net expenditure on the service in 2016/17 was £94,100.

	Swansea Mobility Hire Net Expenditure	£94,100
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3.5.4 Benchmarking

Research was conducted during February 2017 regarding the services and charges applied in relation to similar mobility hire services operating across the UK. The findings are summarised in Appendix B and have been compared to the current services and charges in relation to Swansea Mobility Hire.

3.6 CLUSTER 6 – SWANSEA MARKET

- 3.6.1 City Centre Management manages the day to day operational and premises management and strategic development of Wales' largest Indoor Market and the circa 110 traders and their staff that it contains with the objective of maximising its full commercial potential, supporting local entrepreneurial development and raising the profile of the award winning facility located within the heart of the City Centre.

The Market, which derives an annual income mainly from trader rents of approx. £1.1 million, £705,700 of which is 'profit', is serviced by 8 full time staff who are based within the building and work on a rota basis.

Widely re-known for its fresh produce and Welsh delicacies, the Market attracts over 4million visitors per year and is open to the public Monday to Saturday and Sundays during Christmas with additional hours after closing to support trader servicing requirements

3.6.2 Performance Overview/ Good Practice Identified:

- Awarded 2015 'Britain's Best Large Indoor Market' by NABMA - National Association of British Market Authorities
- Swansea Life Awards: 2016 Best Visitor Experience; 2014 Big Heart of Swansea Award; 2012 Culture & Lifestyle Award Winner - Retail Category
- 'Certificate of Excellence' from Trip Advisor in 2015
- Occupancy levels remain stable at around 96-97% and rental arrears are at an all-time low tracking at 3% whilst the national average is 6%.

3.6.3 Financial Summary

The gross expenditure on Swansea Market in 2016/17 was £392,500, against the following budget code:

42253	Swansea Market	£392,500
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Swansea Market generated £1,098,200 of income across the following activities in 2016/17:

Code	Description	Sum	Examples
800156	Rents/ Hire Income	£1,070,100	Market stall-holder rents
800236	Miscellaneous Income	£28,100	Casual lettings, storage and other tolls
	Total Swansea Market Income	£1,098,200	

Overall Swansea Market achieved full cost recovery in 2016/17 and derived an additional annual income to the Council of £705,700, as follows:

	Swansea Market Net Expenditure	- £705,700
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3.6.4 Benchmarking

Research was undertaken in February 2017 to consider the performance of Swansea Market in relation to other markets across the UK using a variety of data sources and performance measures; this is presented in Appendix B.

Footfall - Information on footfall data derived over a period of three consecutive years from 2014 onwards is provided by the UK Markets Index (UKMI) which is the only independent measure of performance in retail markets in the UK.

Of the 310 retail markets that participated in the joint NABMA (National Association of British Market Authorities) and NMTF (National Market Traders Federation) Mission for Markets

2016 Survey, general performance trends were identified which have been compared with the performance of Swansea Market. This research evidences a declining national trend in terms of footfall which is also reflected locally.

Comparisons are drawn from a management and regeneration perspective of Swansea Market with several key retail markets across the UK. These are St. George's Market in Belfast, the recently refurbished Newport Market, market leader Bury Market and Kirkgate Market in Leeds.

3.7 CLUSTER 7 – ECONOMIC DEVELOPMENT & EUROPEAN FUNDING TEAM

3.7.1 The Economic Development and External Funding Team has been formed through a merger of the European and External Funding Team, Economic Development and Beyond Bricks Mortar Teams, following the retirement of the Economic Development Team Leader in March 2017. The team is responsible for the Council's EU and other grant funding arrangements ranging from light touch input for finance and monitoring only, to full management and implementation of projects (e.g. Workways+). The team sets the Council's strategic framework for economic regeneration, and contributes to the activities of Swansea Bay City Region (including the City Deal), the Public Services Board and manages the Swansea Economic Regeneration Partnership. It delivers Beyond Bricks and Mortar and the Council's apprenticeship programme.

3.7.2 Performance Overview/ Good Practice Identified:

- Beyond Bricks & Mortar Team received Community Benefit Award for Good Practice in Procurement in Welsh National Procurement Awards 2014
- 2017 BBM National Procurement Award for Best Employment Initiative
- Track record of securing external funding through competitive bidding processes (£60.1m 2007-13, £55m 2014-20, with a further £12.58m currently under consideration) which facilitates a broad range of economic regeneration and environmental activities.
- 1378 training weeks secured through Beyond Bricks & Mortar in 2016/17, as at November 2016.

3.7.3 Financial Summary

The gross expenditure on the Economic Development & European Funding Team in 2016/17 was £3,041,449, broken down across the following budget areas:

42001	Economic Development	£181,189
42101	Business Development Management (including Beyond Bricks and Mortar)	£256,060
42102	Business Development	£0
16001	European Unit	£0
25006	Gower Landscape Partnership	£148,300
25007	Rural Development Plan (RDP) Business Plan 2	£1,549,100
25008	RDP Co-operation	£0
25009	RDP Animation	£0
25010	RDP Running	£0
25011	RDP Implementation	£0
25012	European & External Funding Team staff*	£0
42105	Employment Gateway	£510,200

42106	Convergence & RDP projects	£373,600
42108	European Fisheries	£0
42109	Workways+ Project	£0
TBC	HLF Hafod Copperworks - Development Phase	£23,000
	Total Budget	£3,041,449

The Economic Development & European Funding Team generated £2,612,930 of income in 2016/17, which represented 86% of gross expenditure.

Code	Description	Sum	Examples
42001	Economic Development	£0	
42101	Business Development Management (including BBM)	£9,230	
42102	Business Development	£0	UK Steel plc small business grant funding
16001	European Unit	£0	
25006	Gower Landscape Partnership	£148,000	Heritage Lottery Fund & Natural Resources Wales funding
25007	RDP BP2	£1,549,100	
25008	RDP Co-operation	£0	RDP funding
25009	RDP Animation	£0	RDP funding
25010	RDP Running	£0	RDP funding
25011	RDP Implementation	£0	RDP funding
25012	European & External Funding Team staff	£0	Staff project management and grant administration services for externally funded projects delivered in other departments.
42105	Employment Gateway	£510,200	European Social Fund
42106	Convergence & RDP projects	£373,400	
42108	European Fisheries	£0	
42109	Workways+ Project	£0	European Social Fund funding
42001	Economic Development	£0	
TBC	HLF Hafod Copperworks - Development Phase	£23,000	Heritage Lottery Fund funding
	Total Income	£2,612,930	

When taking account of the income generated by the Economic Development & European Funding Team, the Council's net expenditure on the service in 2016/17 was £428,519, broken down as shown below:

42001	Economic Development	£181,189
42101	Business Development Management (including Beyond Bricks and Mortar)	£246,830
42102*	Business Development	£0
16001	European Unit	£0
25006	Gower Landscape Partnership (HLF & NRW)	£300
25007	RDP BP2	£0
25008	RDP Co-operation	£0

25009	RDP Animation	£0
25010	RDP Running	£0
25011	RDP Implementation	£0
25012	European & External Funding Team staff*	£0
42105	Employment Gateway	£0
42106	Convergence & RDP projects	£200
42108	European Fisheries	£0
42109	Workways+ Project	£0
TBC	HLF Hafod Copperworks - Development Phase	£0
	Net Expenditure	£428,519

3.7.4 Benchmarking

External Funding Team: The team was established to address a series of internal concerns on individual departmental management of major EU funds, to achieve a holistic corporate approach. A review with colleagues at Welsh European Officers Group indicated that equivalent teams are generally located in regeneration and economic development functions. The decision to build costs of a central EU management function into all submissions at the point of application was based on a similar good practice used in Pembrokeshire County Council through their European Contracts team. This ensures a single point of contact for EU-funded schemes and contracts, compliance, performance monitoring and audit. The team is currently the largest of its type in Wales.

Economic Development (ED) is a function commonly found in most local authorities (LA) across the UK, although there are variations in the emphasis of individual services between authorities due to local strategies and issues, and that makes meaningful benchmarking between local authorities difficult. A review of the city regional authorities in England (e.g. Manchester and Tees Valley) also revealed that regional economic development functions do not replace the need for an economic development presence at a local level.

Beyond Bricks and Mortar: the team was formed to champion the inclusion of social benefits clauses in major council contracts, and was pioneering in this respect. Over time the team has adopted other measures including more recently coordination of internal apprenticeships. There are numerous examples across the UK of similar approaches, but none are identical making meaningful benchmarking difficult. The team is undertaking a survey of other authorities' approaches.

3.8 Conclusion

The conclusion of the service review is that whilst it has been difficult to find direct comparators for some aspects of the service, where comparators have been found, it is evident that Planning & City Regeneration provides cost effective, high performing services. In addition, the service is perfectly aligned with the Council's policy aspirations and well placed to ensure the delivery of the Council's Corporate Priorities.

4.0 STAGE 4 – SERVICE DELIVERY OPTIONS APPRAISAL

Based on the service review, options have been developed for each individual cluster. These were evaluated and scored at a stakeholder workshop held on March 29th. A list of attendees

at the workshop is listed in Appendix C. Full scoring matrices for each cluster are in Appendix D.

4.1 CLUSTER 1 – DEVELOPMENT, CONSERVATION & DESIGN OPTIONS APPRAISAL

4.1.1 Business models under consideration

Transform In House - This model would:

- review current development management and enforcement service levels,
- capitalise on the agile working agenda,
- promote collaboration to provide specialist services,
- Form a 'core' Land Charges team.

Outsource - This option would involve the outsourcing part or all of the development management function to the private sector. There is no scope to outsource the enforcement service as there are limited commercial opportunities and no income stream associated with this function. Outsourcing was attempted by this Authority in 2004/5 and more recently by Pembrokeshire Coast National Park Authority and Torfaen BC but they focussed mainly on the processing of a discrete range of householder or minor planning applications to address resource and/or recruitment issues during periods of workload pressure.

Collaboration - This option would involve specialist services (e.g. design/conservation/heritage) being shared at the sub-regional level. Whilst it is not considered that there is scope for collaboration on day to day development management services such as householder applications, there is scope to support other authorities with the experienced senior officers who have worked on major city regeneration projects and strategic residential sites.

4.1.2 Options Appraisal – Development, Conservation & Design

Option 1 – Transform In House

This model would:

- review current development management and enforcement service levels,
- capitalise on the agile working agenda,
- promote collaboration to provide specialist services,
- create a 'core' Land Charges team.

The Development Management budget has reduced significantly in recent years with service levels focusing on the delivery of pre-application advise and the processing of planning applications within 8 weeks together with a heavy emphasis on the generation of fee income through the pre-application advise service and Planning Performance Agreements to deliver the statutory and non-statutory elements of the service and the Council's corporate priorities and regeneration agenda. This approach has led to a top quartile performance in Wales, a relatively high rate of refusals and a heavy reliance on fee income for the delivery the statutory development management service.

Enforcement resources have, however, focussed on reducing the backlog of historic cases which has not been reflected in performance indicators for the service. A number of high profile enforcement cases have been resolved, attracted media attention and improved the profile of the service in 2016/17.

In house transformation would see a review of service level options to strike an appropriate

balance between speed and quality of service and enforcement activity, drawing upon experience at the neighbouring Authorities of Neath Port Talbot CBC and Carmarthenshire CC.

The development of a management team approach has the clear potential to facilitate the disposal of Council owned land and the delivery of Council corporate priorities and projects such as the redevelopment of the City Centre, Strategic Sites, the More Homes Projects and affordable housing.

Fully harnessing agile working through the deployment of the Mobile App. technology offered by Idox has the potential to bring significant efficiency and resource savings whilst releasing office space within the Civic Centre. Whilst joint working with Neath Port Talbot CBC on the purchase and development of the Idox system has the potential to bring about further efficiency savings and promote collaboration.

Building upon and developing existing specialist urban design and built heritage expertise has the potential to build upon existing positive placemaking in the Authority and generate a further income stream potentially through increased pre-application charging and collaboration with Authorities within the City Deal Region.

The creation of a 'core' Land Charges team that deals with all aspects of searches will serve to address current inefficiencies and risks to the service by directly funding the currently discrete elements of the service from searches fee income.

Advantages

- Establish clear and legible service delivery options,
- Build upon existing in-house expertise, software systems and successes particularly in performance improvement and provide further efficiency savings and income generation,
- Build on the benefits of close working relationships between Planning & City Regeneration,
- Develop a genuine corporate cross cutting commitment to the delivery of Council priorities, policies and projects,
- Align with City Deal and WG agendas,
- Promote ongoing discussions with other Local Planning Authorities within the City Deal Region regarding the sharing of specialist services,
- Provides an avenue to increased fee income and/or provide succession planning and the potential loss of specialist expertise within the Authority and City Deal Region,
- Build upon existing opportunities offered by technology and joint working with NPTBC,
- Align with corporate agile working agenda, free up resources, office space and increase efficiency.
- Improved efficiency and reduced risk to the delivery of the land charges service.

Workshop Feedback:

The may be opportunities to increase fee income for the provision of pre-application advice, particularly for Major applications, based upon a management team approach.

Disadvantages

- Changes to service delivery options may have unintended

	<p>consequences including an impact on fee income,</p> <ul style="list-style-type: none"> • A growing reliance upon fee income poses a significant risk to the delivery of the service particularly during cyclical economic downturns, • Lack of resources in support services e.g. IT, HR, Legal, Finance remains a risk to the delivery of change, • Corporate and political commitment to joint working and collaboration within Authorities is unclear, • There is currently a lack of commitment to the Uniform project by NPTBC, • Development of a 'core' Land Charges team could have budgetary implications, particularly for Legal Services who currently retain the fee income.
Financial Implications	<ul style="list-style-type: none"> • Changes to service delivery options may have an impact on per-application advise fee income, • There is potential to reduce costs and increase income through efficiency savings and joint working, • Savings are likely to be relatively small given that a high percentage of the budget is already sourced from fee income, • There are financial and performance risks associated with sharing specialist services and IT. • Truly maximising the potential of agile working will require the purchase of additional hardware and software. • Set up costs for a 'core' Land Charges team, including online portal and digitisation are unknown at this stage.
Legal Implications	<ul style="list-style-type: none"> • Complex Service Level Agreements and working arrangements with partner Authorities may be required, • Joint procurement of IT and services will require legal input, • The potential reduction of fee income from searches by Legal Services could impact upon other elements of the service currently subsidised by this income.
HR Implications	<ul style="list-style-type: none"> • Collaboration may require the regional sharing/recruitment of staff.

Option 2 – Outsourcing to Private Sector

This option would involve the outsourcing part or all of the development management function to the private sector. There is no scope to outsource the enforcement service as there are limited commercial opportunities and no income stream associated with this function.

This option was attempted by this Authority in 2004/5 and more recently by Pembrokeshire Coast National Park Authority and Torfaen BC but focussed mainly on the processing of a discrete range of householder or minor planning applications to address resource and/or recruitment issues during periods of workload pressure.

There are a number of planning consultants who have delivered elements of the development management service in particular the officer site visit, consideration and recommendation stages of the process.

None appear to have had the capacity or infrastructure to deal with the planning application process end to end or the volume of planning applications processed by this Authority.

Costs have typically been comparable with the planning application fee with all other costs being shouldered by the respective Authorities.

An analysis of the costs of the various stages and the fee income associated with the processing of the various categories of major, minor and householder applications within the Authority indicates that the officer site visit, consideration and recommendation stages represent on average 30% of case officer time.

Commercial rates would increase the cost of the service that in South Wales range between £70-£145 per hour compared to £20-£35 inclusive of on costs for professional planning officers within the Authority.

The only potentially profitable element of the development management process would be the processing of major planning applications which generated a planning application fee income in 2016/17 of £670K.

There are limited consultants providing day to day design and heritage services in support of the development management process. The in-house team has significantly lower costs than buying this service in with the added advantages of local knowledge and ability to take ownership of the outcomes. This approach is counter to the 'Place Leadership' being advocated at the national level. Outsourcing is ultimately driven by the profits of the consultant not the public good.

Advantages	<ul style="list-style-type: none"> • Increased potential for greater resilience and flexibility particularly during periods of high demand for elements of the service, • Payment per application ensures control of budget, • There could be benefits from new ways of working, • There are some potential cost savings: accommodation, sickness, on costs, reduced costs of democracy etc.
Disadvantages	<ul style="list-style-type: none"> • No private companies in the area currently provide this development management service end to end or have the capacity to handle the current scale of applications, • Very few consultants provide this day to day design and heritage service. • Planning application fees are not set on a full cost recovery basis, only profitable elements would be commercially viable e.g. major applications, • Fee income from major applications currently subsidises the non-profitable and non-statutory elements of the service and land charges, • There is clear potential for conflicts of interest, • There is clear potential for the loss of democratic accountability, • There would likely be a reduced quality of service to applicants, the public and Members, a disconnect from corporate priorities/working • Inflexibility of contracts and hidden costs, • There would be a loss of in-house expertise, • Loss of local or democratic control, • Loss of potential for income generation,

	<ul style="list-style-type: none"> • Additional management costs, • Loss of customer focus, • Confidentiality and security may not be respected, • Changes at the outsourcing company could lead to friction/lack of service, • Outsourcing company could go out of business • Lack of ownership of decision making with a focus on profit not public interest. <p>Feedback from Workshop: Potential costs and income should to be fully articulated when considering this option.</p>
Financial Implications	<ul style="list-style-type: none"> • Additional costs of outsourcing, • Reduced opportunities for income generation, • Non statutory elements could not be subsidised from planning application fee income,
Legal Implications	<ul style="list-style-type: none"> • Legal framework required to manage private sector involvement in statutory regulatory function, • Additional costs of procurement and management, • Revised working arrangements to deal with legal issues and S106 Agreements.
HR Implications	<ul style="list-style-type: none"> • Potential loss of approx. 30 staff. • TUPE implications • Formal consultation with affected staff and Trade Unions

Option 3 – Collaboration

This option would involve specialist services (e.g. design/ conservation/heritage) being shared at the sub-regional level.

Whilst it is not considered that there is scope for collaboration on day to day development management services such as householder applications, there is scope to support other authorities with the experienced senior officers who have worked on major city regeneration projects and strategic residential sites.

The Authority has experience of this approach through minerals planning, joint preparation of Fabian Way Innovation Corridor SPG which was led by the Authority with input from NPTBC and on the Swansea Bay Tidal Lagoon project.

Discussions have also been held with Cadw and WG about collaboration in Built Conservation/ Heritage Services. This has revealed clear support for collaboration amongst officers although there is a lack of clear direction from Cadw and a lack of resources to develop specialist roles within individual Authorities. If the Authority were to provide conservation services to a neighbouring Authority using the current resources then this may require work programmes to be refocussed and potentially stop some existing services e.g. in-house consultancy, which is not currently fee earning, or to take on an additional resource to undertake the collaboration. There may be an opportunity to provide resources in “kind” with each Authority becoming a specialist in a specific discipline.

Whilst there may be challenges in developing and operating a collaborative specialist resource, this is an opportunity for Authority to build upon and establish itself as the hub for

existing specialist services such as design, conservation and heritage by increasing the size of the Design and Conservation Team to support the wider sub-region. This could also be considered for share the CCS experience of and track record in master planning strategic sites, major regeneration projects etc.	
Advantages	<ul style="list-style-type: none"> • Improves access to specialist resources at the sub–regional level, • Potential to benefit outcomes in adjoining authorities where the specialist resources do not currently exist, • Potential for CCS to become the sub-regional hub for specialist services, • Improved profile for CCS, • Potential income or resource in kind for CCS, • Potential to build resilience in the provisions of specialist services. • Fits with agile working agenda.
Disadvantages	<ul style="list-style-type: none"> • May require CCS to either stop doing existing work or grow the specialist resource in order to create capacity for collaboration. • Underlying competition with adjoining authorities, • Travel costs for working sub-regionally • Commitment to collaboration at political and corporate level is unclear,
Financial Implications	<ul style="list-style-type: none"> • Could generate income but more likely to be time swapped for other specialist resources that CCS needs.
Legal Implications	<ul style="list-style-type: none"> • Would need SLAs • Would need to model employment contracts on other cross Council services • Could this create conflict of interest – CCS employee working on item for adjoining LA that CCS doesn't support?
HR Implications	<ul style="list-style-type: none"> • Regional sharing of staff. • Potential for a two tier workforce

4.1.3 Options Scoring Summary - Development, Conservation & Design

All options were scored at a stakeholder workshop held on March 29th.

	Transform In House	Outsource	Collaboration
Service Outcomes	5.0	1.0	4.0
Fit with Council Priorities	5.0	1.0	3.0
Financial Impact	4.3	1.0	5.0
Sustainability/Viability	5.0	1.0	3.0
Deliverability	5.0	2.0	2.0
Total	4.9	1.2	3.4
Ranking	1	3	2

With the highest score of 4.8 the transform in-house option is the best outcome. It meets the criteria; a major improvement is likely and has the greatest potential for substantial advantages. Collaboration would partially meet the criteria and there would be some improvements, however, whilst outsourcing may address resource and/or recruitment issues

during periods of workload pressure the associated costs, infrastructure, resource and capacity issues makes this an unviable option for service delivery.

4.1.4 Preferred Delivery Model - Development, Conservation & Design

The preferred delivery model is **in-house transformation together with collaboration on urban design, conservation and heritage services.**

Collaboration is a key factor which will influence the delivery of this but this may be outside the influence of this Commissioning Review requiring corporate and regional commitment.

5.0 CLUSTER 2 – STRATEGIC PLANNING & NATURAL ENVIRONMENT OPTIONS APPRAISAL

5.1 Business models under consideration

The SP&NE section covers a diverse range of activities, and as such different business models have been considered for each part of the service, as follows:

- Countryside Access, AONB Team and Nature Conservation – Transformation in-house, partnership / collaboration and community transfer have all been identified as potential business models moving forwards. Given the Council’s statutory duty for these functions and the limited commercial opportunities / market for these functions, they are not appropriate for outsourcing or delivery by a new company.
- Landscape Team – Transformation in-house, setting up a new company and outsourcing to the private sector have all been identified as potential business models. The team’s function is not suitable for community transfer and greater partnership working/ collaboration is an integral part of the in-house transformation option.
- Strategic Planning – Transformation in-house, partnership/collaboration and outsourcing to the private sector/ community transfer have been identified as potential business models to be considered. The team does not have the capacity to set up as an arm’s length company due to the limited commercial opportunities / market at present, as well as the requirement to meet the Council’s needs.
- Sustainable Development - Two transform in-house options (transformation within the service or within the Council) have been identified as potential new business models, along with outsourcing to the private sector.

Sections 5.2 to 5.5 provide summary versions of the options appraisal for each section within Strategic Planning & Natural Environment. The full document is available on request.

5.2 Countryside Access, AONB Team and Nature Conservation

5.2.1 Options Appraisal – Countryside Access, AONB Team & Nature Conservation

2a Countryside Access, 2b AONB Team & 2c Nature Conservation
Option 1 – Transform In-House
This model would involve merger of Countryside Access with the AONB and Nature Conservation Teams within the Section, as part of a restructured Natural Environment/Resource Management Team. This model would maximise grant income opportunities and develop service improvements through the more efficient and flexible use

of resources.

This model encompasses:

- Specialist legal RoW knowledge to be brought into the team to develop service improvements. Backlog of legal work and delays would be remedied with additional post or shared post with NPTBC and the service could become more proactive.
- Improved use of technology, such as a fully functioning interactive RoW plan hosted on the Council's website.
- There is potential for the 2 person RoW direct labour team to expand either in terms of resources or remit to provide complementary work for other service areas. Creation of a 'core' Land Charges team.
- Appointment of a part-time natural environment/resources management volunteer coordinator (temporary and fully grant funded) is proposed, to free up officer time from administrative tasks and increase time spent on project delivery and match funding grants.
- Appointment of a part-time Ecologist /Biodiversity Officer (temporary and fully grant funded) to meet enhanced Biodiversity Duty requirements.
- Combine/collaborate more effectively with other Council services, e.g. Landscape, Parks Operations, Parks Development, Education, etc. This could include sharing or seconding staff, equipment and resources. New NEAT team drawn upon to assist with habitat/site management e.g. access improvement, scrub control.
- Increase commercialisation, income generation and grant funding opportunities, e.g. by bidding for external contracts
- Explore opportunities for maximising income generation from Bishop's Wood, Outdoor Learning/Wellbeing initiatives in schools grazing licences charging for walks/events; establishing a tree nursery, grow and sell biomass crops, etc. This would be a medium term option with no specific income stream identified for 17/18.
- Stopping the provision of free knotweed advise to private landowners, mortgagees etc.

Greater use must be made of IT and social media for the purposes of promoting work, community engagement, professional news, funding sources and identifying local issues. Transformation would need to be complemented by a document management system to replace the current paper-based filing/record system.

<p>Main Advantages</p>	<ul style="list-style-type: none"> • Bringing all staff and functions together creates a more efficient service for the Council as a whole • Joined up approach to and responsibility for AONB Management across the Council, including a review of governance arrangements to maximise the benefits of the AONB brand to attract inward investment and tourism • Diverse and specialist knowledge retained and enhanced • Focus on contribution to service priorities for economic regeneration and natural environment/resource management • More opportunities for grant funding of activities
<p>Main Disadvantages</p>	<ul style="list-style-type: none"> • Potentially greater need for contractors if existing Ranger Team is spread too thinly • Match funding (including officer time) can be difficult to source. • Lack of succession planning • Over-bureaucratic procedures, e.g. grant applications • Failure to comply with statutory duties may lead to intervention

	by the Welsh Government, NRW or police and could have significant financial and political implications
Financial Implications	<ul style="list-style-type: none"> • Recruitment of part time specialist RoW legal knowledge or pooled resource with NPTCBC would have a budget implication • A Volunteer Co-ordinator post would enable volunteer time to be used as match funding for grant applications • Potential £20k per annum income from RoW search fees – which could be invested in the improvement of the RoW network to help boost recreational activity tourism • Additional income from diversion applications due to the new specialist RoW knowledge. The amount of additional income is difficult to quantify at this stage • Renegotiation of clearance contract and collaboration with the NEAT team within urban areas will bring efficiency savings. • Volunteer coordinator and ecologist posts can be funded through WG Single Revenue Grant in 17/18. Posts could also be funded beyond 17/18 through earned income and/or by joint funding with other organisations e.g. University, NRW • The volunteer post will generate additional grant income as can use volunteer time as match funding
Legal Implications	<ul style="list-style-type: none"> • Search fees proposed relate to additional work and would be in addition to those already received by Legal Services • Greater ability to meet statutory obligations • The Council should have sufficient ecological experience and capacity to ensure the NERC Duty is met through its work
HR Implications	<ul style="list-style-type: none"> • Recruitment of part-time specialist legal RoW officer to Countryside Access Team or jointly funded post with NPTBC • Additional posts to add to structure, or could be contracted in

2a Countryside Access, 2b AONB & 2c Nature Conservation

Option 2 – Partnership/Collaboration

For Countryside Access, this model, would involve the expansion of existing and development of new partnerships. The team already work closely with local land owners, farmers, promoters of LDP Strategic Development Areas, commoners and interest groups such as the Gower Society and Ramblers Association.

There is scope to provide aspects of the Countryside Access service to adjoining authorities as part of regional collaborative working, particularly legal work such as dealing with diversion orders (if brought in-house) and direct labour for RoW improvement purposes. Collectively there is a stronger case for recruiting such specialist staff when compared to each authority justifying the full cost on their own.

However there are capacity issues with existing resources and an alternative would be for the Council to buy-in rather than seek to maintain these services in-house (specifically Legal Services).

Non-maintenance of the RoW network is not a realistic option given that walking tourism plays such an important role in the sustainable tourism offer of the County and is of significant economic benefit to rural and coastal localities in particular.

For the AONB Team, this model would retain Council responsibility for the conservation and enhancement of the AONB, but develop a linked charitable structure to widen potential income sources.

A Charitable Trust can apply for and spend a wider range of income sources. It can also find it easier to distribute grants than a Local Authority and has been successfully achieved in other Authorities, e.g. North Kent Downs, Cranbourne Chase Landscape Trust, etc. The AONB team would be able to focus on AONB management purposes, policy formulation and partnership working whilst grant aid was administered by the Charitable Trust.

A Trust would need to be managed by a board of trustees who would undertake the work of the Trust on a voluntary basis. It would also be heavily reliant on active fundraising and voluntary donations. The Trust would have a representative on the AONB Partnership Board and the Council would still be responsible for the production of the AONB Management Plan. The Trust would be responsible for delivering those management plan actions that accord with its charitable purpose.

For Nature Conservation, this model would involve revised collaborative working to build on the already extensive work with partner organisations to develop joint funded services. Beyond this there is scope to provide aspects of the Nature Conservation service to other Local Authorities as part of regional collaborative working, particularly ecological and biodiversity advice. Jointly funded posts could be created to provide this support which could also be extended to other organisations, for example:

- A shared Biodiversity Post with Swansea University. The Council's contribution would need to be grant funded and it would free up current officer time to deal with other areas.
- Through management of land, such as Sites of Interest for Nature Conservation (SINCs) and Local Nature Reserves, working in partnership with Wildlife Trust, Environment Centre, the business sector (e.g. Salix – a natural resource management company), and the Local Biodiversity Action Plan nature partnership, including establishing more Friends of Wildlife Sites groups (based on the Parks model)
- Share/second staff from NRW to deliver shared outcomes/projects.

This is not a cost saving or 'spend to save' option, the focus is on meeting corporate priorities and would require additional resources.

Across all three functions, regional collaborative working is unlikely to bring in any income in the short-term and any in-house services reduced or stopped would still need to be provided for at most likely greater cost and risk of reputational damage if existing levels of provision are at not at least maintained.

Main Advantages

- Ability to employ/contract staff to deliver shared outcomes
- Greater flexibility/ability to respond to changing needs e.g. to deliver Area Statements, Environment Act, WFG Act Resilience Goal, Green Infrastructure Strategy, etc.
- More collaborative, strategic, co-ordinated approach to management of natural resources - facilitates sharing of resources, skills and expertise
- Reduces competition for diminishing resources

	<ul style="list-style-type: none"> • Potential additional sources of securing external funding
Main Disadvantages	<ul style="list-style-type: none"> • It is difficult to identify many additional organisations or groups are not already working in partnership • Less efficient and effective service if delivered with existing resources - spread too thinly • Still restricted by Council procedures e.g. procurement and associated structure and relationships would be confusing/potentially conflicting • Additional investment of staff time/resources to develop , manage and support partnerships/links with charity • Council continues to bankroll, but support services funding contributions are likely to decrease further
Financial Implications	<p>For Countryside Access:</p> <ul style="list-style-type: none"> • Buying-in legal advise, for example from another Local Authority, would be an added cost as it is assumed that Legal Services would redirect existing resources if not providing RoW advise internally. Estimated cost £22.5k based on (0.5) grade 9 Legal Officer post equivalent <p>For AONB:</p> <ul style="list-style-type: none"> • This option increases opportunities for actions to support the conservation and enhancement of the AONB, however there are no direct cost savings for the Council. • Possible indirect savings as a result of reduced draw on Council services to support management plan activities passed on to the Trust. • Loss of grant income would outweigh any savings <p>For Nature Conservation:</p> <ul style="list-style-type: none"> • No direct cost savings • Could potentially save money (land management costs) • Commitment to providing additional resources. At 50% contribution this would cost the Council an additional £20k-£25k for each post created, some of which would be offset by grant income
Legal Implications	<ul style="list-style-type: none"> • Potential additional legal work/funding • Complex Service Level Agreements required • Retained access to legal support • Council retains contractual responsibilities • Would help to ensure Statutory Biodiversity duties are met • The Council must have a nominated Biodiversity Champion who is active in ensuring that biodiversity is considered throughout the Council's work • The Council should have sufficient ecological experience and capacity to ensure the NERC Duty is met through its work
HR Implications	<ul style="list-style-type: none"> • Potential increased working hours for Legal /Ranger team • Possible erosion of staff T&Cs as a result of budget cuts • Vulnerability to restructuring • Retained access to HR support

	<ul style="list-style-type: none"> • New shared posts created • Two tier workforce
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2a Countryside Access, 2b AONB & 2c Nature Conservation

Option 3 – Community Transfer

For Countryside Access, this model involves transfer of responsibility for maintenance of the RoW network within Community Council areas to Community Councils together with the associated budget. Responsibility for all other RoW work, e.g. legal work and managing the remainder of the network would be retained in-house.

This model was attempted by WGCC in the 1990s and only Pontarddulais CC continues to participate with the support of an annual contribution from the RoW budget of £1000. However this only contributes to maintenance not improvement works which would still need to be carried out by the Ranger Team. Furthermore, Community Councils do not cover the whole of the County and they are under no obligation to take on this responsibility.

Transfer of maintenance responsibility would not reduce the need for the Ranger Team and Community Councils, like the Council, are unable to match fund against a maintenance budget. There would therefore be no cost reduction with this option and less efficiency due the number of additional contractors that would need to be engaged by each Community Council. This could be supported by local volunteers assisting with the clearance work; however this would result in inconsistent delivery and poor practice, such as cutting of protected wildflowers.

For AONB Team, this model would involve the creation of an independent Conservation Board to oversee the future governance and operating structure of the Gower AONB. The sole function would be to conserve and enhance the AONB. The Board would include Council Members, Community Councillors and Welsh Government appointees. There would be direct funding from Welsh Government for AONB management. The Board would build upon existing engagement of partner organisations (such as the AONB Partnership) and provide greater responsibility and autonomy. It would bring together the AONB Management Plan duty, the AONB team and the overall governance structure into a single legal entity. The Board could also sit alongside a Charitable Trust as outlined in Option 2.

For Nature Conservation, this model is a medium term option that seeks to establish the team/part of the team as a social enterprise, for example a Community Interest Company (CIC), set up in partnership with other like-minded organisations to help deliver and lead the efforts to achieve the changes needed to make Swansea an environmentally sustainable city. This model is aimed at meeting strategic priorities. It is not a cost saving or ‘spend to save’ option and would require additional resources.

The CIC would need to be supported by a group of strategic funding partners, such as the Council, Wildlife/National Trust, local Universities, etc. Directors would be elected from pledge organisations. The CIC would not be controlled by Council, but the Council would retain ownership of assets (Bishops Wood Centre and Nature Reserves). Savings would be made on VAT, non-domestic rates and operating efficiencies and there would be separate funding opportunities.

Main Advantages	<ul style="list-style-type: none"> • Reduced cost of direct labour • Ability to access broader funding than Council/enhanced commercial activity • Provision to take on additional powers or responsibility from the
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	<p>Council, for example countryside management functions</p> <ul style="list-style-type: none"> • Support services could potentially be bought-in more cheaply outside the Council • Provide a stronger voice for the interests of the AONB
Main Disadvantages	<ul style="list-style-type: none"> • No track record as a delivery body – lack of skills, capacity, experience, etc. • Long lead-in time for establishment - need to develop and sustain organisation, which may detract from delivery • Disassociation from the Council would erode working relationships and commitment to Council priorities • Adequate financial reserves/assets are needed for cash flow • Potential for cuts in future Council funding contribution
Financial Implications	<p>For Countryside Access:</p> <ul style="list-style-type: none"> • No savings, less efficient than maintaining the paths in-house • Under this model the RoW budget would be shared pro rata between 21 Community Councils dependent upon extent of RoW network within each. However this would largely use up the £28.5k annual maintenance budget leaving the Council with less than £10k to cover the network outside Community Council areas and deliver footpath improvements, such as resurfacing, bridges, gates, etc. This would result in failure to deliver any current or future ROWIP actions • Council and Community Councils are unable to match fund against any maintenance grant funding <p>For AONB Team:</p> <ul style="list-style-type: none"> • The net annual cost of the AONB team to the Council is less than £80k. All operational costs and part of the salary costs (which total £88k including on-costs) are met from grant income. The establishment of the Board would see the loss of all grant income, which totalled £105k for 16/17, plus there would be a continued requirement for the Council to contribute to staff costs. The exact contribution would need to be negotiated but would be at least 50% i.e. £44k plus). Based on the experience of the Shropshire Hills AONB Conservation Board it will take at least two years to set up a Board and there will be a cash flow deficit for at least the first two years of operation thereafter (up to £50k in the first year) which will need to be bankrolled by the AONB Partnership and the Council. • This a medium term option that would fall in to the ‘spend to save’ category – potentially saving up to £35k per annum in 4 years’ time, but which would need to be balanced against the loss of control over the management of the AONB and the advantages it brings as the main visitor draw to the area. <p>For Nature Conservation:</p> <ul style="list-style-type: none"> • No cost saving • Reliant on funding from partner organisations

	<ul style="list-style-type: none"> • Set up costs are likely to be similar to those for setting up a local government trading company, i.e. in the order of £25k to cover insurance, professional indemnity, auditor fees, ICT, legal fees, accounting arrangements, etc. In addition, ongoing annual operational costs would be £26k-£38k, which will need to be recovered. To achieve a break even position after 2 years the company will need to achieve a profit margin on sales of 22.5% • More expensive for other services than current in-house model • Additional staff would need to be employed to create capacity to support the partnership. Council would need to contribute to salary costs of up to £50k per annum (with on costs) for each additional officer. The costs should be partly offset by income earned in the long term; however there is no certainty over the level of this income.
Legal Implications	<p>For Countryside Access:</p> <ul style="list-style-type: none"> • Issue over responsibility and liability for health and safety issues on Community Council maintained paths <p>For AONB Team:</p> <ul style="list-style-type: none"> • Board would take on full responsibility to prepare the AONB Management Plan (Council would become a consultee) <p>For Nature Conservation:</p> <ul style="list-style-type: none"> • The Council should retain sufficient ecological experience and capacity to ensure the NERC Duty is met through its work
HR Implications	<p>For Countryside Access</p> <ul style="list-style-type: none"> • Potential reduction of direct labour staff • Potential TUPE transfer <p>For AONB Team:</p> <ul style="list-style-type: none"> • Transfer of AONB staff to the Board, together with intellectual property rights, digital data and paper files and any other assets. • This model would involve the transfer of the two members of the AONB team to the Conservation Board structure under TUPE. The team has no assets that would need to be transferred. <p>For Nature Conservation:</p> <ul style="list-style-type: none"> • Additional staff and/or staff job shared with other organisations

5.2.2 Options Scoring Summary – Countryside Access, AONB Team & Nature Conservation

For the Countryside Access, AONB and Nature Conservation Teams the same three potential delivery options have been identified, namely transform in-house, partnership/collaboration and community transfer. The options for each function were discussed individually at a workshop held with stakeholders on March 29th. The feedback provided is summarised below:

Countryside Access:

- Team is valued for local knowledge and wide contact with landowners and farmers.

- In support of the Partnership/ Collaboration option, Parks could support delivery of clearance/maintenance work contractually or provide manpower to support Ranger Team, otherwise risk losing specialist knowledge on RoW improvement/maintenance
- Partnership/ Collaboration model was viewed as an enhancement of in-house option 1

AONB:

- NRW content with how AONB team already operates in terms of its coordinating function, e.g. management plan, monitoring, review and as a focus for pooling resources
- Option 2 (Partnership/ collaboration) and option 3 (Community Transfer) are seen as medium term (3+years) options
- Creation of a new entity and benefits not fully understood. Worthy of further exploration in due course

Nature Conservation:

- NRW advice is that there is a big gap in environmental education provision in Wales. NRW are not currently providing this (or supporting others to provide) and are assuming that other organisations are. Potential opportunity
- Expanding the Nature Conservation Team was seen as increasing costs for the Council. Clarified that this would need to be resourced through external funding
- Sustainable management of natural resources requires a range of services/elements to come together. Area Statements may help provide evidence, but it is uncertain what level of influence they will have, e.g. with Public Service Boards
- Parks not keen on arrangements for sharing equipment, use of which is at full capacity already

Whilst the teams were assessed separately at the options appraisal workshop, as the evaluation results were so similar they have been combined and averaged into the table below.

Criteria	Transform In House	Partnership/ Collaboration	Community Transfer
Service Outcomes	4	3	1
Fit with Council Priorities	4	3	1
Financial Impact	4.1	3.2	3.1
Sustainability/Viability	4.3	3	3
Deliverability	4.3	3	1.7
Total	4.1	3	2
Ranking	1	2	3

With an average score of 4.1 the transform in-house option is clearly the best outcome. It meets the criteria, delivers the greatest financial savings and has the greatest potential for substantial advantages.

5.2.3 Preferred Delivery Model - Countryside Access, AONB and Nature Conservation

The preferred delivery model is **Transform In House**. Under this option, it is proposed to merge the above three teams (Countryside Access, AONB and Nature Conservation) into a Natural Environment/Resource Management Team. This model would maximise grant

income opportunities and develop service improvements through the more efficient and flexible use of resources.

The partnership /collaboration model would also likely to lead to some service improvements; however the teams already work in close partnership/collaboration with a wide range of external organisations and will continue to further develop these working relationships under the in-house transformation model. Therefore, by itself, improved partnership/collaboration will not deliver the step-change needed for transformational change.

Community transfer, which involves handing over responsibility for tasks, for example to a Conservation Board or Community Interest Company, remains a medium term option. It involves significant set up costs, takes at least four years to come to fruition and is largely untested in practice. However as collaborative working between organisations increases over time this option will become more viable.

5.3 Landscape Team

5.3.1 Options Appraisal – Landscape Team

2d Landscape

Option 1 – Transform In House

This model would involve the novation of the Landscape Service within the Council. This has previously been agreed as part of the Council's medium term financial plan but not fully acted upon. As a consequence landscape design contracts, for example in relation to the QEd programme, have been outsourced in some design and build contracts when services could potentially have been delivered cheaper in house.

The team has been weak at promoting itself in recent years, partly due to a requirement to focus on tree works applications as a result of not being able to fill the Tree Preservation Officer post for an extended period.

Income could potentially be reinvested in the creation of an additional post to expand and offer landscape design and consultancy services to other Local Authorities and organisations as part of the regionalisation agenda (see Strategic Planning Option 2). This would include feasibility studies, masterplan production, landscape management plans, hard and soft landscape design and design of SUDS.

With additional resources, procurement arrangements would need to be reviewed, with projects tendered and implemented contractually and through a Swansea Council Landscape Framework. Under this Framework the Landscape Team would manage the projects from inception to completion, with all projects accompanied by a set minimum landscape maintenance period.

The transformational improvements to the TPO service identified for action by the Tree Scrutiny Working Group would continue to be rolled out. Whilst there are no direct cost savings associated with this work there are efficiencies to be achieved through greater knowledge, understanding and better access to information.

Greater use must be made of IT and social media for the purposes of promoting work, community engagement, professional news, funding sources and identifying local issues. Transformation would need to be complemented by a document management system to replace the current paper-based filing/record system.

Main Advantages	<ul style="list-style-type: none"> • A potential resource for regional collaborative working • The team would become more visible within the authority and restore connections that have been lost to 'design and build' • Diverse and specialist knowledge retained and enhanced • Improved local environment – a School grounds service could be delivered in partnership with the Nature Conservation Team • Promotion of the value and importance of trees both within the Council and with wider public
Main Disadvantages	<ul style="list-style-type: none"> • Heavily reliant on income generation • Lack of succession planning if permanent landscape architect post not created following current secondment • Balance between increased time for travel, workload and additional project management. • Requirement to cover costs/make a profit • The WHQS work will not be delivered based on existing resources and there is likely to be a recruitment difficulty with few local specialists and uncompetitive salary compared to private sector
Financial Implications	<ul style="list-style-type: none"> • The recent commission to provide the landscape design for the WHQS external and general environment works will enable the team's annual income target of £113k to be exceeded for at least the next four years. Based on currently committed work the team are expected to earn around £163k during 17/18 • The ability to deliver this work and thereby achieve the projected amount of income is limited by the capacity of the team. To assist with delivery of the WHQS work it is proposed to extend hours of existing part-time surveyors within the Regeneration Team in order to speed up delivery (extra 3 days/per week). With on-cost this would equate to around £16k, still leaving a profit of around £30k. • A case will need to be made to extend the current secondment beyond January 2018 or replace with a fixed term contract appointment until 2021. • There is potential to increase the amount of income from WHQS work. Based on current projected output every additional landscape architect (cost approx. £40k with on-costs) would generate £97k (30 dwellings/week, £75/dwelling, 43 working weeks). It is projected that 2-3 landscape architects or equivalent would be needed to deliver the WHQS programme in its entirety.
Legal Implications	<ul style="list-style-type: none"> • Compliance with public procurement regime
HR Implications	<ul style="list-style-type: none"> • Current secondment ends Jan 2018.

2d Landscape

Option 2 – Set up New Company

This model would involve the Landscape Team forming a new trading company to facilitate opportunities for income generation.

Over the medium-term improved service design, enhanced commissioning practice, better collaboration with partners, and a clearer focus on citizen priorities has the potential to deliver improved value for money for citizens and taxpayers and greater social returns on investment.

The TPO Service which reports to and is serviced by the Development Control function would remain in-house. The trading company could therefore only apply to the landscape service which to be cost effective would need to be expanded to be able to offer additional services/have the necessary capacity to undertake additional work. It would therefore be more suited to be part of a generic trading company covering a range of local government functions.

Main Advantages	<ul style="list-style-type: none">• Ability to raise profile of the team without constraints• Ability to carry out private commissions and engage other consultants/ specialists when required• More flexible to change• Could result in increased productivity• Platform to encourage more income generation and expand service delivery
Main Disadvantages	<ul style="list-style-type: none">• Initial outlay and set-up (staff time and funding)• Team is too small to work effectively in this manner, and would need to cover costs and require up-front investment• It would not apply to the TPO service and could lead to loss of capacity to deliver core functions if income does not generate sufficient profit• There would be limited capacity to implement the transformational improvements to the TPO service identified by the Tree Scrutiny Working Group• Lack of capacity of manage additional work in addition to current commitment to WHQS over the period to 2021
Financial Implications	<ul style="list-style-type: none">• No cost saving• More expensive for other services than current in-house model• Financial models based on other Council's trading companies e.g. Staffordshire, indicates initial set up costs would be expected to be in the order of £25k to cover insurance, professional indemnity, auditor fees, ICT, legal fees, etc. In addition ongoing annual operational costs would be £26k-£38k, which will need to be recovered. To achieve a break even position after 2 years the company will need to achieve a profit margin on sales of 22.5%• Additional staff would need to be employed, minimum £40k-£50k per annum with on-costs, who would need to generate sufficient income to at least cover their costs (spend to save). High risk as prior to WHQS work the landscape team were not meeting their annual income target of £113k

	<ul style="list-style-type: none"> • Need to set up separate financial systems and accounting arrangements
Legal Implications	<ul style="list-style-type: none"> • Legal advise needed to set up, especially company requirements and governance arrangements
HR Implications	<ul style="list-style-type: none"> • Set up with part-time seconded staff under TUPE • TUPE implications for existing staff • Consultation with staff and Trade Unions essential

2d Landscape	
Option 3 – Outsourcing to Private Sector	
<p>This model would involve stopping the service and buying-in Landscape and Tree services on a consultancy basis.</p>	
Main Advantages	<ul style="list-style-type: none"> • Enables access to latest external experience and potentially additional resources for specific projects. • No periods of specialist absence • Introduction of new ways of working and innovation • Removal of cost of democracy
Main Disadvantages	<ul style="list-style-type: none"> • There are private companies who could deliver elements of the advice and services provided by the team, but landscape architect firms in the Swansea area and few arboriculturists. • Not in a position to immediately respond to requests for Information from the public, Members and other service areas • Private sector would not be able to provide users with aspects of the service such as the depth and breadth of knowledge of the Council • Contractual issues, including service changes lead to increased costs over contract price • Lost commercial opportunities
Financial Implications	<ul style="list-style-type: none"> • Commercial rates would increase cost of service • Current annual salary costs for the 3 person landscape team equates to £138k including on-costs. Buying in this level of service would cost between £290k and £542k (based on rates of £450-£840/day and 215 working days)
Legal Implications	<ul style="list-style-type: none"> • Additional legal support required for serving TPO notices, etc.
HR Implications	<ul style="list-style-type: none"> • Potential loss of up to 3 staff (local employment) • TUPE implications • Consultation with staff and Trade Unions

5.3.2 Options Scoring Summary – Landscape Team

Each of the options were discussed at a workshop held with stakeholders on March 29th. The feedback provided is summarised below:

Option1- Transform In-house:

- A strong track record of providing a valued, independent service for landscape services to support other departments and organisations
- Provides an opportunity for a more recognised team that builds on existing specialisms that can contribute significantly ‘on the ground’ to improvements at community level
- Can play a role in addressing key wellbeing goals
- Established local knowledge improves quality and efficiency of service delivery and outcomes
- Only a small team, with an older age profile, and experience shows it is difficult to recruit officers with such skills within the market place
- Reliance on contracts to fund operations

Option 2- Set up new company:

- There are relatively few outfits operating in the market to potentially bid for the range of contracts that could be on offer
- A less constrained working environment and reduced bureaucracies associated with local govt – e.g. procurement
- Expense and mechanics involved in setting up what is in effect already being provided on a quasi-independent basis for Council departments
- Could become increasingly remote from other departments – efficiencies and enhanced quality can come from being ‘embedded’
- Vulnerable to flux in the demand for services – peaks and troughs that might occur
- Would not apply to TPO service- required in house

Option 3- Outsourcing to private sector:

- Perceptions of greater innovation
- Theoretically a choice of providers thereby helping to reduce costs
- No apparent firms providing the full range of services provided by the team
- An unsustainable model in terms of not retaining skills that can over time produce economies through continually applying skills and knowledge rather than keep purchasing
- Skills already in the organisation would be lost

The scores for each option are outlined below:

Criteria	Transform In House	Set Up New Company	Outsource
Service Outcomes	5	3	1
Fit with Council Priorities	5	3	1
Financial Impact	5	2.3	1.7
Sustainability/Viability	3	2	1
Deliverability	5	1	3
Total Score	4.8	2.3	1.5
Ranking	1	2	3

5.3.3 Preferred Delivery Model – Landscape Team

With an average score of 4.6 the transform in-house option is the best outcome. It meets the criteria; a major improvement is likely and has the greatest potential for substantial advantages. Setting up a new company would partially meet the criteria and there would be some improvements however, as with the outsourcing option, any potential advantages are outweighed by the financial disadvantages.

The in-house option maximises the opportunity to deliver the WHQS external and general environment works programme. Additional part-time staff have recently been engaged to assist with this task which will enable the team's annual income target to be exceeded for at least the next four years. There is also potential to increase the amount of income from WHQS work by contracting in additional landscape architects who would more than cover their costs and ensure the WHQS programme is delivered in its entirety.

5.4 Strategic Planning

5.4.1 Options Appraisal – Strategic Planning

2e Strategic Planning

Option 1 – Transform In House

Resources devoted to the planning function have reduced significantly in recent years at the same time as unprecedented demands are forthcoming, particularly associated with delivering the statutory development plan and other planning frameworks, as well as the aspirations for delivering transformational strategic scale development across the County. The Strategic Planning Team has had to adapt to these demands by taking the lead on a more collaborative forward planning approach, and also by developing more specialist skills.

This model would be based on an in-house transformation of the team's functions and work programme to considerably enhance the ongoing development of key skills and specialisms (such as undertaking Sustainability Appraisals, Green Infrastructure Assessments, Spatial Analysis and Database Development, financial viability appraisals of development proposals, etc.), such that the team becomes a key enabling mechanism for a diverse range of corporate priorities, including: creating economic prosperity; increasing affordable housing provision; securing developer contributions/levies; delivering more accessible green infrastructure and open spaces; enhanced sustainable travel choices; and delivering new physical infrastructure and community facilities. Many of these are important facilitators of well-being and are cross-cutting themes and corporate objectives. This model responds to the requirement for the Council to produce evidence and outputs that will fulfil its obligations under the WFG Act. This model will still require the team to produce and monitor the development plan for the County and also respond to priorities for delivering new planning guidance and specific development strategies/briefs.

The team have developed a strong culture of multidisciplinary working and bring officers together across a wide range of service areas into project groups to facilitate the delivery of the wider social, economic and environmental objectives of the Development Plan. This is at the heart of the well-being goals. Further transformation offers the opportunity to formalise and/or expand thematic strategies (e.g. transport, greenspace, etc.) and site specific strategic projects. This approach seeks to improve service quality, provide greater resilience and enhance opportunities for workforce development and progression.

<p>This must be supported by greater use of IT and social media for the purposes of promoting work, community engagement, professional news, funding sources and identifying local issues. Transformation would need to be complemented by a document management system to replace the current paper-based filing/record system. This transformation will require the role of the Planning Technician to be expanded to assist with the delivery of this task which applies to all teams within the section and would lead to more efficient, effective and agile working.</p>	
<p>Main Advantages</p>	<ul style="list-style-type: none"> • There are ongoing discussions with other Local Authorities within the Swansea Bay Region exploring the opportunities for more collaborative working, particularly in sharing or pooling of specialist services and the joint collation of spatial planning data and evidence. • Improved communications/promotion of service area/public perception • Diverse and specialist knowledge, and knowledge of local area and issues, retained and enhanced • Potential for increased income generation/external funding generation • Focus on contribution to service priorities for economic regeneration and natural environment/resource management
<p>Main Disadvantages</p>	<ul style="list-style-type: none"> • A reduction in resources elsewhere within the Council is affecting the Team's ability to deliver its priorities • Over-reliance on grant funding/income generation • Over-bureaucratic procedures, e.g. procurement • Swathe of new legislation impacting on fragile service • Expectations increasing, resources/skills diminishing, legislation increasing in complexity
<p>Financial Implications</p>	<ul style="list-style-type: none"> • There is also scope to transform the way services are delivered during regular public consultation on plans and strategies. Development of an in-house e-consultation service would save up to £4k /annum on a service which is currently externally hosted (there would be initial set-up costs to be met in the short –term, but is a 'spend to save' opportunity). • Use of in-house mapping services, for example, production of LDP proposals map and hosting on-line interactive map would save £7k on current consultant's costs (one-off) to provide this service. • Publishing Council strategies on line would save (one-off) printing costs. The current development plan cost £15k to print. • Undertaking the Sustainability Appraisal (SA) of the LDP in- house has saved around £60k in consultancy fees based on the costs incurred by adjoining authorities for this work. This is an iterative process that needs to be carried out at each stage of plan preparation Specialist skills are held within the team which are potentially income generating given the majority of LPA's outsource their SA process.

Legal Implications	<ul style="list-style-type: none"> • None
HR Implications	<ul style="list-style-type: none"> • No further staff reductions • Additional training needs

2e Strategic Planning	
Option 2 – Partnership/Collaboration	
<p>This model advances the options outlined in the recent White Paper – Reforming Local Government: Resilient and Renewed, which proposes that land use planning be undertaken on a regional basis in future. This would be achieved either through formal arrangements to prepare Strategic Development Plans for a region, or to pool resources within a region for the production of Local Development Plans. This model could be considered a medium term add-on to Option 1.</p> <p>Good regional collaborative working already occurs on minerals and waste matters, whilst LDP evidence has been gathered jointly with NPTBC in relation to Housing and Economic Prosperity and SPG jointly produced in relation to Fabian Way. This collaborative working also extends internally within the Council, with Housing, Regeneration and Highways jointly involved in the commissioning of project work.</p> <p>There is scope for this to be extended and Service Level Agreements (SLA) entered into for elements of service delivery such as Sustainability Appraisals, Viability Assessments, etc. However full service delivery on a regional basis would involve a review of governance arrangements, including plan preparation and decision-making.</p>	
Main Advantages	<ul style="list-style-type: none"> • Supports strategic decision-making at the regional level and aligns well with City Region agenda • It would guide decisions on which specialist services to invest in to support the strategic planning function • Collaborative working to identify key issues and develop policies to address them • Would address loss of specialist expertise within the region • Identified regional deficiencies in ecology and landscape offer an opportunity for the Nature Conservation and Landscape Teams
Main Disadvantages	<ul style="list-style-type: none"> • Influence over direction of regional working lies outside the Council's control i.e. reliant upon outcome of White Paper and the outcome of the current multitude of Planning consultations on the future of the National Development Framework/National level planning frameworks, Strategic Development Plan/Regional Planning and revisions to the form of Local Development Plans. • The service cannot operate on a leaner, cheaper and wider basis whilst also improving quality and resilience • Introduces more complexity and bureaucracy to an already overcomplicated planning system – and will potentially deter investment in the region • Uncertainty as to how technical support services, e.g. highways, legal, etc. would support regional working
Financial Implications	<ul style="list-style-type: none"> • Potential reduced costs due to shared collection of evidence

	<p>(typically 15% reduction where commission shared between authorities) however differing issues and needs between areas working on a regional basis could equally lead to increased costs</p> <ul style="list-style-type: none"> • Regional pooling of budgets requires mandatory financial framework. Staff time contribution would also be needed • Financial risk of investing in specialist services with no guarantee of return. If an Authority maintains and grows a specialist service, there is no guarantee of financial commitment from other authorities in the region that they will draw upon the service even if a SLA has been entered into. Services provided would also only likely to be required on an occasional basis e.g. annually or during periods of development plan preparation/review and could not therefore be relied upon as an income source.
Legal Implications	<ul style="list-style-type: none"> • Potential new governance arrangements • Complex SLAs required
HR Implications	<ul style="list-style-type: none"> • Regional pooling of staff

2e Strategic Planning

Option 3 – Outsourcing to the Private Sector/Community Transfer

This model would involve buying-in services on a consultancy basis to deliver aspects of the service and devolving place-making to the neighbourhood level. It would be a hybrid model of delivery through a combination of in-house, partnership and contractual arrangements.

There are a range of planning consultants who could deliver elements of the advice and services provided by the team. Work is currently outsourced where there is an in-house lack of expertise or resource.

Outsourcing could not extend as far as statutory plan production due to potential conflict of interest as well as lack of knowledge of internal processes and reporting procedures and the commercial confidentiality of information gathered in support of plan preparation.

Neighbourhood planning is emerging practice, whereby plan making at community level is devolved to Community Councils and other local interest groups. However this has to sit under and accord with an adopted Development Plan. It requires an increase of skills and capacity at the community level plus significant resources from the Council (finance and staff-time) to support the Community which are not currently available.

Main Advantages	<ul style="list-style-type: none"> • Introduction of new ways of working and innovation • Consultancy support already drawn upon for some commercial work • Enables access to latest external experience, broader knowledge and potentially additional resources for specific projects • Perceived “robustness” of third party impartial production of evidence.
Main Disadvantages	<ul style="list-style-type: none"> • Loss of in-house expertise (Council becomes ill-informed client

	<p>lacking sufficient knowledge to scrutinise contracted service and outputs).</p> <ul style="list-style-type: none"> • To work effectively would need full access at early development stage of plans and policy formulation – access only likely to be granted to internal staff • Culture of money making as opposed to social conscience of Council • Process of procurement and support and scrutiny of contracted services does not necessarily reduce the need for officer time and expertise • Neighbourhood planning is a significant drain on resources and is still in its early stages of development. Lack of capacity to support
Financial Implications	<ul style="list-style-type: none"> • Commercial rates would increase cost of service. For one-off commissions the South Wales private sector rates range between £70-£145 per hour. The 17/18 salary costs for the 6.5 senior/principal planning officers in Strategic Planning Team amounts to £249k. To provide the same level of service based on private sector rates for 215 working days would cost between £734k and £1.4m, however, in reality, a discount to this cost could be negotiated • Supporting neighbourhood planning would lead to a reduction in capacity and resources for the Council to produce its own statutory plan, the budget for which is currently around £23k per annum. DCLG research indicates that a neighbourhood plan will cost between £20k to £86k to produce. The costs are expected to be met between the plan promoters (usually the local community council) and the local planning authority. At the very minimum the Council contribution to a neighbourhood plan covering a small village would be £5k-£10k and between £25k-£70k for a small town. These costs do not include officer time, legal fees, admin costs or lost income from planning applications covered by a neighbourhood plan development order • On average £25k-£50k is spent per annum outsourcing work to provide the evidence base to support the LDP. This has included the commissioning of SPG, for example, the recent HMO SPG cost over £40k not including considerable in-house support and is not a particularly cost effective method of plan-making.
Legal Implications	<ul style="list-style-type: none"> • Compliance with public procurement regime
HR Implications	<ul style="list-style-type: none"> • Potential loss of staff (local employment) • TUPE implications • Consultation with staff and Trade Unions

5.4.2 Options Scoring Summary – Strategic Planning

Each of the options were discussed at a workshop held with stakeholders on March 29th. The feedback provided is summarised below:

Option1- Transform In-house:

- Will enable other teams/sections of the Council to draw on services provided by the upskilled team, e.g. open space appraisals, strategic transport proposals, etc.
- The relatively young age profile of team will enable upskilling to bear fruit
- Diversification of function of team will enhance its capacity to 'add value' to the organisation and give it a stronger footing to face future challenges and ever changing priorities
- Will be consistent with the aspirations for delivering services on a joined up basis, fostering collaboration between sections
- Optimal arrangement for delivering good placemaking, attuned to the local level
- Cost savings of not constantly buying in expertise in key areas
- Increases potential for a 'project based' approach to delivering forward planning aspirations to be undertaken, as this inevitably requires a co-ordinating role for the project officer to work with other departments on complex sites
- Will enable services to potentially be charged out to their organisations, where a particular specialism is an asset for their requirements
- Track record of specialist planning functions being offered and delivered across region already – e.g. mineral planning
- The full potential of generating fees from external charging is unknown
- Necessitates a well-resourced team which is challenging to maintain

Option 2 - Partnership/Collaboration:

- Potential for reduction in overheads if staff were housed in a single regional facility
- Could deliver optimisation of staff efficiency if there was no replication of specialisms across the region and sufficient staff to undertake local as well as regional priorities
- Opportunity for certain strategic planning aspects (i.e. technical areas such as development viability appraisals) being formally agreed to be delivered collaboratively and/or across region, without need for wholesale new regional structure
- Complex HR implications and arrangements for staff under contract to work for different local authorities but undertaking same work. Need to understand what the mechanics are for ensuring equal conditions, treatment and terms for staff
- Experience of arrangements such as Western Bay illustrate the significant amount of resources and diverted time to setting up the processes
- The national requirements/proposals for delivering planning at a regional level are not yet known and any decisions now by individual authorities may not reflect how Welsh Government wish arrangements to proceed
- The key driver for deciding on how strategic planning should be delivered on a regional scale should be the evidence for it (e.g. the geography of the City Deal area, technical, or on housing markets, etc.), which are not likely to be along merged authority boundaries and therefore there is a risk of setting up planning areas within overlapping administrative areas. This adds to bureaucracy and complexity for service delivery
- Concerns about the governance of new planning areas being misaligned or even remote from elected representatives which fundamentally undermines the requirement for stakeholder involvement in the forward planning process
- Other parts of the Council (e.g. 'Resilience') have tried moving towards a regional basis for service delivery but moved back in house
- The mechanics of resolving issues surrounding HR, governance changes, national government requirements on re-organisation and regional planning, and other matters point to transfer of entire strategic planning function to regional arrangement being a more medium to long term model if these matters can all be addressed in time

Option 3- Outsource to the private sector/community transfer:

- Potential for innovation
- Could provide objective third party view of contested issues
- Experience has demonstrated that contracting out separate studies and tasks still requires significant officer involvement to keep work on track and therefore actual costs to produce work can sometimes be doubled in effect
- If private sector is not available to undertake tasks/blocks of work, it can lead to delays and risk to economic growth
- Not a sustainable model in terms of not retaining skills that can over time produce economies through continually applying skills and knowledge rather than keep purchasing
- Skills already in the organisation would be lost and Council losing touch with understanding of work undertaken
- Multiple situations of conflicting interests likely
- The forward planning process inherently requires a deep knowledge of local issues and circumstances
- Complexities and difficulties of a remote organisation providing the co-ordinating role between Council service areas that strategic planning needs to provide
- Community level planning through voluntary and community groups does not have the expertise to carry out the complex, huge range of forward planning services required

The scores for each option are outlined below:

Criteria	Transform In House	Partnership/ Collaboration	Outsource
Service Outcomes	5	3	1
Fit with Council Priorities	5	3	1
Financial Impact	3.7	3.7	1
Sustainability/Viability	4.5	3.5	1.5
Deliverability	5	3	1
Total	4.6	3.2	1.1
Ranking	1	2	3

5.4.3 Preferred Delivery Model – Strategic Planning

With an average score of 4.6 the transform in-house option is the best outcome. It meets the criteria; a major improvement is likely and has the greatest potential for substantial advantages. Partnership/Collaboration also partially meets the criteria, with some improvements likely. However, as with the outsourcing option, the potential advantages are outweighed by the financial disadvantages.

The partnership /collaboration model would also likely to lead to some service improvements, however the teams already work in close partnership/collaboration on a regional basis with other authorities in South West Wales and this will continue under the in-house transformation model in any event as there is a move towards regional land use planning in the medium term. Additional partnership working and collaboration over and above existing/planned arrangements will not deliver the step-change needed for transformational change.

Outsourcing does not deliver a service and is only a feasible option for specialist commissioned work where the necessary skills are not available in-house. It is not

sustainable in the long term, requires significant in-house support and is very expensive by comparison with in-house delivery.

5.5 Sustainable Development Team

The Team Leader post has already been deleted as part of the service’s Senior Management Savings. In addition the vacant Project Officer post is being held vacant pending the outcome of the Commissioning Review, and if not filled would provide a further net budget saving after other costs have been deducted.

During 16/17 the team has for the first time provided expert external consultancy work to other public sector bodies in Wales on the WFG Act, capitalising on opportunities created by the new Act and the team’s reputation. However the team will be unable to continue this very specific and timely commercial offer with current resources.

5.5.1 Options Appraisal – Sustainable Development Team

2f Sustainable Development	
Option 1 – Transform In-House (within Service)	
<p>This would seek to move towards reinstating the team’s previous award winning model – an independent team that acts as an ‘honest broker’, free from bias or vested interests, working corporately to provide process consultancy support to support corporate transformation by enabling the Council to respond to, and capitalise on, the WFG Act and wider sustainability agenda, and undertaking commercial work for other organisations.</p> <p>This would involve appointing to the vacant Project Officer post – upgraded to an additional Policy Officer (Grade 9), which would enable continuation of currently provided commercial work (£10k income per annum), corporate services, including the Climate Change Act and input into the Renewable/Smart Energy agenda working in collaboration with Corporate Building and Property Services. This would also enable cultural and behavioural change underpinning the Act to be driven through all areas of the Council including the seven areas for change identified in the statutory guidance.</p> <p>The team would need to be directly managed by the Section Manager as the activities are unrelated to any of the other service area teams.</p> <p>The retention of an in-house expert team would provide the opportunity in the medium term (5+ years) to further transform into a shared service for more than one public body, i.e. at a regional level. This could be cross-sector not just within local government. This would be a medium term aspiration because currently organisations and the WFG Act are not yet mature enough for this way of working.</p> <p>Transformation would need to be complemented by a document management system to replace the current paper-based filing/record system.</p>	
Main Advantages	<ul style="list-style-type: none"> • Diverse and specialist knowledge can be retained and enhanced • Maintain a commercial profile and continue to identify commercial opportunities • Ensure WFG Act is implemented successfully across the Council and that the Council maximises from the Act and its role in enabling transformation.

	<ul style="list-style-type: none"> • Continue to lead on SD enabling transformation and other key agendas • Other organisations are having to buy in this knowledge
Main Disadvantages	<ul style="list-style-type: none"> • Being based within a service rather than at the centre of organisation can cause confusion over responsibility for WFG Act requires a clear mandate for the team in the roll-out of WFG Act related behaviour change • Capacity/resources limits the extent to which the team will be able to be more proactive/innovative • Priority needs to be focussed on the Council not other organisations at this stage of WFG Act adoption • Uncertain whether team will continue to be able to achieve annual income target of £10k • There is sufficient budget to support appointment of an additional full time Policy Officer, but no operational budget without further reducing the saving of the deleted Team Leader post
Financial Implications	<ul style="list-style-type: none"> • The appointment of a full time Project Officer (mid-grade with on-costs) would cost £45.1k. This would need to be met from a combination of the remaining vacant post salary (£8k) income earned (£10k) however these income streams are the subject of competitive bidding and are therefore not reliable sources of income, redirecting all operational budget to salaries (£18.5k), leaving a salary shortfall (cost) of £8.6k.
Legal Implications	<ul style="list-style-type: none"> • Ensures statutory requirements in relation to the WFG Act and Climate Change Act are met
HR Implications	<ul style="list-style-type: none"> • One deleted post, one vacant post filled and regraded

2f Sustainable Development

Option 2 – Transform In-House (within Council)

This model involves splitting the existing resource (2 x 0.8 officers) between the centre and the Planning and City Regeneration Service.

There is a new central Strategic Development Unit in the process of being set up and there is an opportunity for this unit to incorporate a member of the Sustainable Development Team who would bring with them experience of enabling Council services to deliver the WFG Act, change management, central policy development as well as servicing and supporting the PSB.

As part of this split the remaining officer would focus on the Planning and City Regeneration agenda and dealing with delivery of more sustainable forms of development, Sustainability Appraisals of plans, Climate Change, Green Growth, Smart Cities, Foresighting, etc. It would be expected that the officers would continue to work closely together in the short-term until existing project work is completed.

Main Advantages	<ul style="list-style-type: none"> • Governance of WFG Act via FGB has implementation route to cascade decisions throughout the Council • Use commercialisation expertise and experience to help
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	<p>commercialise Strategic Delivery Unit /Corporate Policy Team</p> <ul style="list-style-type: none"> • Builds skills and knowledge, enabling knowledge transfer within services and across the organisation • Corporate Performance/ Strategic Delivery Unit /Corporate Policy Team development and refinement of Integrated Impact Assessment and diagnostic workshops • Strategic Delivery Unit /Corporate Policy Team capacity to develop new ways of working at a corporate level
Main Disadvantages	<ul style="list-style-type: none"> • There is a potential risk that the WFG Act becomes too transactional focusing only on compliance rather than for full transformation of business as usual / service delivery. • There is a risk of too much focus on the WFG Act and not enough on wider SD issues, Climate Change Act, sustainable regeneration, and, depending on the remit of these teams, the cultural change elements of the Act i.e. ways of working • Team's quality, derived from its collective knowledge and experience, could potentially be diluted if working separately in an uncoordinated manner • For the Council to deliver the WFG Act effectively services need advise and guidance from SD experts
Financial Implications	<ul style="list-style-type: none"> • Restructure of SP & NE teams will generate a £30k saving in 2017/18.
Legal Implications	<ul style="list-style-type: none"> • Potential for legal challenge of the WFG Act reduced.
HR Implications	<ul style="list-style-type: none"> • Loss of Project Officer post

2f Sustainable Development

Option 3 – Outsourcing to Private Sector

This model would involve stopping the in-house SD service and to buy-in SD services on a consultancy basis.

Advantages	<ul style="list-style-type: none"> • Enables access to latest external experience, broader knowledge and potentially additional resources for specific projects • No periods of in-house specialist absence • Potential introduction of new ways of working and innovation • Removal of cost of democracy
Main Disadvantages	<ul style="list-style-type: none"> • Loss of reputation as regional leader in SD agenda • Loss of in-house dedicated expertise/difficult to bring back in-house in future • SD support is a corporate function. Would require significant procurement across the Council • No guarantee that sufficient and appropriate consultants are available locally – small pool within Wales and short to medium term high demand for services

	<ul style="list-style-type: none"> Commercial rates would considerably increase cost of service
Financial Implications	<ul style="list-style-type: none"> There are a range of professional firms and consultants who could deliver elements of the advice and services provided by the team. The daily costs within the private sector range from £550 for an individual private consultant to over £1000 for a larger organisation such as PWC. The SD team's daily rate for commissioned work is £350 which works out just under £47/hour and is almost double the actual salary cost to the Council. If the in-house SD service were stopped the savings (including for the deleted and vacant post) would be approx. £170k based on 16/17 figures (for four members of staff). The cost of employing the cheapest available local consultant on a full time basis would be around £120,000 per annum based on daily rates (215 working days), but would only provide just over 60% of current capacity. It is acknowledged that in practice a cheaper rate would be negotiated. However for comparison purposes based on daily rates in order to provide the equivalent staffing levels as at present (the budget for which for 17/18 is £120k) it would cost £189k per annum, and to provide the equivalent of Option 1 it would cost £307k per annum.
Legal Implications	<ul style="list-style-type: none"> Potential failure to fulfil duties and obligations under the WFG Act
HR Implications	<ul style="list-style-type: none"> Loss of 4 posts (local employment) TUPE implications

5.5.2 Options Scoring Summary – Sustainable Development Team

Each of the options were discussed at a workshop held with stakeholders on March 29th. The feedback provided is summarised below:

Option 1- Transform In-house (within service):

- Could give greater stature to the Council's commitment to the WFG Act to have a dedicated team
- Dedicated team within the service could be the best way of maintaining vision and mission of service
- Remote from, and potentially not aligned to, the corporate SD function causing confusion over responsibilities
- Not the most efficient or effective utilisation of resources since there would be two parts of the organisation dedicated to similar aspirations
- Already a commitment to facilitate the WFG Act in a different part of the Council
- A separate team doesn't help communicate that SD is a cross corporate objective

Option 2- Transform In-house (within Council)

- The WFG Act is already embedded centrally within the Council and this transformation could augment and enhance that function
- Ability to better communicate role of function across the Council and deliver change
- Good chance of identifying efficiencies and most streamlined way of working
- Innovation benefits of sharing ideas

- Tap into established networks of the different service areas
- Strategic Delivery Unit still somewhat unknown or untested in terms of delivery
- If the current SD team is split, will SD policy development be side-lined from the more central corporate priorities of the Delivery Unit?

Option 3 – Outsourcing to Private Sector

- Potential for innovative schemes to be identified not otherwise within the skills remit of a small number of officers
- Builds on some background of involving private sector in specialist areas to assist team
- Experience has demonstrated that contracting out work still requires significant officer involvement to keep work on track and therefore actual costs to produce work can sometimes be doubled in effect
- Not a sustainable model in terms of not retaining skills that can over time produce economies through continually applying skills and knowledge rather than keep purchasing
- Skills already in the organisation would be lost

The scores for each option are outlined below:

Criteria	Transform In House (within Service)	Transform In House (Within Council)	Outsource
Service Outcomes	5	3	1
Fit with Council Priorities	3	5	1
Financial Impact	3.7	3	1
Sustainability/Viability	3	4.5	1
Deliverability	3	3	1
Total	3.5	3.7	1
Ranking	2	1	3

5.5.3 Preferred Delivery Model – Sustainable Development Team

The Sustainable Development Team has recently gone through a period of significant change and options are limited given available resources. The team's function is not suitable for community transfer and does not have the capacity to set up as an arm's length company due to limited commercial opportunities and a very limited market, as well as the requirement to continue to meet the Council's needs.

Outsourcing would result in a situation where the Council would be worse off both financially and in terms of knowledge and expertise, therefore transform in-house is the only option available. It partially meets the criteria, will lead to some improvements and potential advantages outweigh disadvantages. However there is a significant difference between transforming within Service – which would retain the current team and transforming within Council which would involve splitting up and disbanding the team. This latter option scored slightly better at the options appraisal workshop (total average score of 3.7 compared to 3.5), as it would ensure the needs of both the Service and the Council could continue to be met.

5.6 Preferred Delivery Model – Strategic Planning & Natural Environment

Taking the above into consideration, the preferred delivery model for Strategic Planning & Natural Environment may be summarised as follows:

- Continue restructure of the Strategic Planning and Natural Environment Section by merging the Countryside Access, AONB and Nature Conservation Teams into one team and split the Sustainable Development Team between the Service and the Centre
- Support the Landscape Team to deliver the WHQS external and general environment programme, including providing additional resources
- Advance the skills, experience and specialisms of the Strategic Planning Team to take a lead role on land use planning related matters both across the Council and regionally.

6.0 CLUSTER 3 – DEVELOPMENT & PHYSICAL REGENERATION OPTIONS APPRAISAL

6.1 Business models under consideration

Transform in House - This model would maintain direct provision of the services, but seek to, maximise income and develop service improvements through the more efficient and flexible use of resources and improved technology

New Company - This would mean setting up a new company wholly owned by CCS but operating with a private sector ethos.

Collaboration including Outsourcing - This model would require a joint venture with one or more local Authorities; it would require agreement on behalf of all parties for a long-term plan for the provision of Property Development Services.

6.2 Options Appraisal – Development & Physical Regeneration

Option 1 Transform In House

In house transformation would see a review of service level options to ensure that the planned programme of work can be delivered in a timely manner and within budget.

Ways in which the service can be improved:-

1. Fill vacant posts and restructure team to ensure team is fit for purpose.
2. Manage agile working to ensure effective team working and delivery.
3. Implement a document management system allowing easy access to shared data and improve archiving arrangements.
4. Review the complementary role of Consultants working with CCS staff to maximise efficiency and cost effectiveness of project delivery
5. Further develop efficiency savings from joint working with other teams, including on leases & rents.
6. Look at new measures of performance.
7. Examine how we engage with the private sector and Welsh Government
8. Monitoring on an annual basis.
9. Deliver planned regeneration programme over 5 years.
10. Develop staff to ensure the right skills are in place to deliver the agenda.
11. Attract further inward investment through joint working with the Councils Economic Development Team and attendance at business events.
12. Identify potential ways of creating additional income opportunities for the Council through property development e.g. secure income streams that exceed the cost of borrowing

<p>13. Look at the regeneration of key settlements outside the city centre as part of the future workplan.</p> <p>14. Consideration needs to be given to how Swansea and the City Centre is marketed to attract occupiers and raise awareness.</p>	
Advantages	<ul style="list-style-type: none"> • Builds upon existing in house expertise and delivery track record. • Can be progressed quickly to meet tight timescales for project delivery • Builds on the close working relationships with planning and other in house teams. • Maintains control of the service and allows it to ensure delivery is linked to the Corporate Priorities of the Council. • Looks to create income streams for the Council. • Access to private sector investment and specialist professional advise not available within the council is easily accessible through the existing team structure and is available to wider Council organisation when required • If there is spare capacity consideration could be given to selling our services to other organisations over the medium to long term. • Team is inextricably linked to other CCS objectives and priorities e.g. City of Culture.
Disadvantages	<ul style="list-style-type: none"> • It may be difficult to recruit people with the right skills as there is a lack of property professionals across the UK with the relevant property development experience
Financial Implications	<ul style="list-style-type: none"> • Delivery of current projects over 5 years will cost £2.5m. This will generate significant economic benefits that are currently being assessed through an Economic Impact Assessment to justify investment and feed into the City Deal process. • Significant capital and revenue budgets are required to deliver projects. • Explore income generating opportunities from property utilising risk management • Corporate budget cuts are impacting on service area performance. Less legal, HR support
Legal Implications	<ul style="list-style-type: none"> • Efficient project delivery is dependent on experienced and timely commercial property legal and procurement advice. Outsourcing must be considered when necessary. • CCS has legal obligation to deliver Best Consideration.
HR Implications	<ul style="list-style-type: none"> • Recruitment of the right people and integration into the team is essential. • Filling vacant posts will improve the team's ability to deliver the agenda and help with succession planning.

Option 2 – New Company

<p>The Council forms a wholly owned company which it contracts to provide a service or the Council forms a company to trade commercially</p>	
Advantages	<ul style="list-style-type: none"> • A separate company may have more freedom to trade in the

	<p>market with more flexibility in terms of commerciality rather than fixed policies and procedures</p> <ul style="list-style-type: none"> • A non LA vehicle may be able to make decisions and act on them more quickly
Disadvantages	<ul style="list-style-type: none"> • Legal and financial complexities linked to company law could outweigh potential benefits for delivery • Timescales for setting up a such a vehicle would have an effect on short and medium term delivery • Cost of setting up a new company would be challenging and overall operational costs are likely to increase • Disassociation from the Council could erode working relationships and commitment to Council priorities. • The Council and elected members would lose control in favour of a controlling board. • A company will generate a private sector ethos and would not necessarily consider the wider economic benefits.
Financial Implications	<ul style="list-style-type: none"> • Set up costs of a new company will be high. • Significant financial risks to the Council as the council will need to be prepared to underwrite and losses of the company. • Staff costs are likely to increase in the private sector.
Legal Implications	<ul style="list-style-type: none"> • Complicated legal issues relating to Council's setting up companies. • Ongoing requirement for the council to be guarantor for the company.
HR Implications	<ul style="list-style-type: none"> • Staff would be subject to TUPE • There would still be a requirement for in house liaison, monitoring and reporting • Consultation with staff and Trade Unions

Option 3 Collaboration/Partnership including outsourcing

This model looks at the Council providing a service for or jointly with another authority or public body through an administrative, contractual, cooperative or corporate arrangement agreement.

Options can include shared staff and posts, delegate a function, set up a joint committee and decisions are made by the lead Council, agree a joint commissioning of service, contracts with another public body to provide service specifications, or 2 or more LA's form a company to provide services back to the council

This would still require private sector partners/consultants to advice on current market trends and delivery vehicles with agreement between the parties on priorities and budgets.

Advantages	<ul style="list-style-type: none"> • Some costs would be shared by partners. • Access to more resources, especially by smaller partners. • Overall costs could be reduced.
Disadvantages	<ul style="list-style-type: none"> • Individual councils lose control of projects. • Prioritisation of projects would be difficult. • Councils would not control delivery priorities. • This would need a vehicle set up to share resources. • Set up costs and share of costs would need to be agreed.

	<ul style="list-style-type: none"> • A Joint Venture (JV) or other legal agreement would be required which would take time and resources delaying the current programme for delivery of projects.
Financial Implications	<ul style="list-style-type: none"> • Set up costs would be need to be identified and agreed • Cost of JV or other legal agreement.
Legal Implications	<ul style="list-style-type: none"> • JV or other legal agreement would need to be put in place.
HR Implications	<ul style="list-style-type: none"> • Complicated as who will do the work, could be done in another authority with associated implications for existing CCS staff and loss of control for this Council. • Possible TUPE implications

6.3 Options Scoring Summary – Development & Physical Regeneration

A workshop was held with stakeholders on March 29th to consider the best options for delivery of the work plan. A SWOT analysis of all three options was undertaken which identified the following:-

	Options		
	1 – In-house	2 – New Organisation	3 - Collaboration
Strengths	Well-established interface with developers and other key players <i>e.g.</i> City Deal	Could be viewed as an independent shining light for Swansea; Not seen as another ‘dry’ council tool; Focused positive agenda – private sector-style	Partner resources dovetailed; Possible strong partnerships
Weaknesses	Internal barriers tend to be broken down informally; Need more imagination and creativity	Slow to set up – likely to result in lost impetus from existing successes; Potential wasteful duplication of roles	All partners would have to be fully on board – a true collaboration with equal benefits
Opportunities	Long-term planning could negate threats – may need restructure, re-stated goals, more focused top-level leadership, more regular strategic plans, strong communication, commitment to ongoing improvement	More joined up regional decision making	Partners bring wide mix of specialist expertise
Threats	Silo mentality; Contrasting agendas; Not pulling together; No golden thread to council aspirations	One more level of bureaucracy – perceived as another spanner in the works	Aims would have to be crystal clear from the outset

The options were fully discussed during the workshop and a scoring exercise was undertaken for each option. The results of the scoring of options is set out below.

	Transform In House	Set up New Company	Partnership/ Collaboration

Service Outcomes	4.0	5.0	5.0
Fit with Council Priorities	4.0	2.0	3.0
Financial Impact	3.0	2.0	3.0
Sustainability/Viability	5.0	2.0	3.0
Deliverability	4.0	1.0	3.0
Total	4.0	2.4	3.4
Ranking	1	3	2

6.4 Preferred Delivery Model – Development & Physical Regeneration

The clear consensus of the group was that **Transformation In House** was the preferred way forward, and this option scored the highest at 4.0.

Swansea has built a significant momentum with its current City Centre regeneration programme; there is a positive market perception of Swansea and with a reasonably buoyant economic position. Swansea is therefore well placed to ensure delivery is progressed within the current economic cycle. Similarly, the City Deal announcement is positive news and the next stages to secure this must be progressed quickly to release capital for delivery within our current programme. The city centre regeneration programme linked to the City Deal needs to move towards detailed design and delivery planning.

The Collaborative option did show merit and therefore it was considered that this could be considered as part of the transformation option in the medium to longer term linked to the city deal and local government reform discussions. However it was accepted that the setting up costs and timescales would significantly affect delivery were this option to be pursued in the short term.

Benefits were also identified for the Company option however the cost and timescale of setting up a new company would also impact the delivery of the current regeneration agenda which is at an advanced stage. The weaknesses and threats appear to outweigh the opportunities.

A training scheme to develop our own and new staff to furnish them with the relevant skills and share best practice is also to be put in place to ensure we have the necessary skills and resources to deliver the Swansea agenda and use any spare resources to offer our services to other Local Authorities through either delivering regeneration schemes for them or in an advisory capacity, again, linked to the city deal priorities

Recommendations

It is recommended that the Commissioning review approves the progression of the in House transformation. In summary this includes:-

1. Filling vacant posts and restructure the team in order to achieve delivery of regeneration programme to meet corporate objectives.
2. Continuing to supplement core team with private sector consultancy.
3. Look to move towards providing services to other organisations in the medium to long term.
4. Advise the Council on income generation opportunities alongside associated risks on the major regeneration projects.
5. Further develop efficiency savings from joint working with other teams.

7.0 CLUSTER 4 – CITY CENTRE MANAGEMENT OPTIONS APPRAISAL

7.1 Business models under consideration

Transform in House - This model would maintain direct provision of the services; the measures outlined have been considered in isolation or in combination to transform the existing Service in house.

Outsourcing - Transfer CCM management and admin staff and/ or the projects and services they provide currently plus the City Centre Rangers to Swansea Business Improvement District (BID). (The Ranger Service already receives 25% of its funding from Swansea BID).

7.2 Options Appraisal – City Centre Management

Option A – Transform In House	
<p>The following measures have been considered in isolation or in combination to transform the existing Service in house:</p>	
<p>Option 1 – Expand Existing Services (Street Trading and Lettings) In line with the delivery of the emerging City Centre evening and night time economy strategy which proposes additional events and activities after dark, expand the existing day time City Centre Street Trading and Lettings schemes into the evening and night time economy. In addition, explore options for new day time pitches and shorter term consents.</p>	
<p>Option 2 – Sponsorship (lamppost banners, events, xmas lights etc.) Explore various sponsorship opportunities including a lamppost banner sponsorship in conjunction with the Commercial Team and sponsorship of key CCM events and projects such as the Xmas lights and Xmas Market.</p>	
<p>Option 3 – Additional resources to support operational and strategic improvements and delivery of regeneration programme Restructure the team with the appointment of a City Centre Team Leader fully funded via additional income sources and existing salary budget.</p>	
Advantages	<ul style="list-style-type: none">• Options 1& 2 – Increased income to the Local Authority which helps support the business case for Option 3 i.e. increasing resources.• Option 1 – This measure supports the emerging Evening and Night Time Economy Strategy to diversify the City Centre after dark and increase vibrancy.• Option 2 – The existing lamppost banners in the City Centre will shortly be coming to the end of their life. This scheme will replace the existing without incurring costs to the Authority.• Option 2 – Preliminary work has been undertaken to explore the application of this option.• Option 2 – City dressing adds colour and vibrancy to an area and can help create identity. Consideration to how the banners could be used to achieve will need to be taken with colleagues in Culture and Tourism.• Option 2 – There are new opportunities to dress the new lamppost columns recently installed within Castle Square.• Options 1 & 3 – Improved operational management and

	<p>development of the City Centre in line with and to complement the regeneration activities.</p> <ul style="list-style-type: none"> Option 3 – There is political support for the delivery of the projects identified as part of the political focus on the City Centre.
Disadvantages	<ul style="list-style-type: none"> Options 1 & 2 – The delivery of these options are hinged on having additional resources to deliver them through the appointment of a Team Leader (as per Option 3) which will also enable the City Centre Manager to focus on other and more strategic priorities e.g. ENTE Strategy, Market Masterplan etc. Option 2 – The desire for increasing incoming may override the impact and attractiveness of the banners. This will need to be given careful consideration.
Workshop Feedback [& Follow Up]	The following comments were received from participants in the workshop, a commentary on which is provided in brackets:
Financial Implications	<ul style="list-style-type: none"> Options 1 - 3 - An increased combined income to the Council of approximately £30,000 per annum. Option 3 – There will be additional staffing costs associated with employing a Team Leader, however, it is anticipated that these will be funded by the additional income generated by the post and existing budget within CCM's salary budget.
Legal Implications	<ul style="list-style-type: none"> Option 1 - The existing Street Trading and Lettings Policies as they relate to the City Centre by day will be observed. Option 2 – Formal agreements regarding sponsorship will be developed with colleagues in Legal.
HR Implications	<ul style="list-style-type: none"> Option 3 – Restructuring of the team. Development and evaluation of a new job description for the proposed Team Leader. This would be undertaken in line with a review of the roles and responsibilities for the wider team to ensure service development and continuity. Option 3 – Recruitment of the proposed post-holder.

Option B – Outsource

Transfer CCM management and admin staff and/ or the projects and services they provide currently plus the City Centre Rangers to Swansea Business Improvement District (BID).

1. CCM Management & Admin

This reflects the following 4 staff and salary costs of £105,500 per annum plus 35% on-costs (£142,425):

- City Centre Manager (32.5 hours per week)
- City Centre Operations & Projects Officer (34 hours per week)
- City Centre Project Support Officer (full time)
- City Centre Lettings & Admin Officer (20.12 hours per week)

2. City Centre Rangers

This reflects 1 Senior Ranger and 3 other Rangers and salary costs of approx. £84,300 per annum plus 35% on-costs (£113,805). Additional costs for equipment, PPE, uniform etc. would also need to be reflected at approximately £4,000 per year.
The Ranger Service already receives 25% of its funding from Swansea BID.

Advantages	<ul style="list-style-type: none"> The main advantages of this approach are tied in with the potential financial benefits that may be derived; however, further work is required to ascertain the actual savings initial details of which are set out under Financial Implications below.
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Disadvantages	<ul style="list-style-type: none"> Governing body ATCM (Association of Town Centre Management) warns against this approach and highlights a number of areas where such an action has been subsequently overturned. The existing joint working arrangements between BID and CCM are effective. Reducing services in the City Centre is in contradiction to the City Centre regeneration programme. Maintaining control of City Centre services is critical especially at this time given the substantive regeneration programme being brought forward for the City Centre and the role CCM being critical to the Authority's aspirations for the City Centre. Alternative measures would need to be put in place regarding the continued management of key Council projects such as Xmas Lights, Rangers etc. and facilities such as the Market and Mobility Hire as there is a presumption that the Authority would not release these to BID nor would BID be interested in taking them on. The BID was set up in the interest of the business sector to deliver improvements that are identifiable as being above and beyond the basic service standard. As such the BID is effective as a project delivery mechanism but it does not have the mandate, capacity, ability, experience or accountability to the people of Swansea to take on the operational and strategic demands of CCM. The BID provides an opportunity for businesses to enhance the City Centre environment where they feel Council services need supplementing. As such from inception there has been an insistence on maintaining a distinct and bespoke identify that is separate from that of the Council <p>Equally the BID would need to formally explore the enthusiasm of their levy payers for assuming current Council functions and embarking on such a fundamental shift in BID policy. This would have to reflect the legal constraints set out below.</p> <ul style="list-style-type: none"> Whilst BID is on its third term, a re-ballot process has to be undertaken every 5 years. There is no guarantee therefore as to the continuation of BID going forward. BID and CCM are two separate but inter-related bodies who share the objective of improving the City Centre and already successfully collaborate on various levels to achieve this.
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	<p>There are however fundamental differences in the approach taken by each organisation. The BID represents the business community, is short term and project orientated while CCM is responsible for the delivery of several Council services and operational areas and is also a co-ordinating body with a greater focus and commitment to the longer term development of the City Centre.</p> <ul style="list-style-type: none"> • Rangers: <ul style="list-style-type: none"> - The Ranger Service underwent a substantive review during 2015 and there were a number of resulting changes and improvements which have been implemented. - KPI's are produced and analysed on a monthly basis and demonstrate that on average the team of 4 Rangers deal with approx. 2,000 separate incidents every month which cover key areas such as customer and tourist enquiries, business enquires, community safety activities, supporting and coordinating activities. - The Rangers are integral to raising operational standards in the City Centre, implementing projects and overseeing the delivery of key services on the ground such as access, Lettings, events and street trading. - The Rangers also receive 25% of their funding from Swansea BID.
<p>Workshop Feedback [& Follow Up]</p>	<p>The following comments were received from participants in the workshop, a commentary on which is provided in brackets where relevant:</p> <ul style="list-style-type: none"> • Is there an opportunity to bring the 3 CCM service areas together and not separate? Look at where there is duplication of roles to see if there could be further joined up service delivery, e.g. Mobility and Swansea Market. [The service areas form part of the CCM service which is overseen by the City Centre Manager and supported by CCM admin and management function. The teams already work closely together with for example the Rangers supporting the Market safety and evacuation processes and the delivery of events. There is also limited opportunity to co-locate services due to lack of space]. • Agreement was given that the service could benefit initially from the delivery of the transformed in house option especially given the level of cost recovery already being achieved. • The option of transferring to BID requires further thought including the legal and employment perspective. The appetite among the membership and the Board of Directors would also need to be tested. • The collaborative role of CCM and BID was acknowledged together with the distinct roles and responsibilities associated with each area. Comments were received about looking at options to further expand CCM's partnership work with BID. • The requirement for the City Centre Manager to fulfil a more strategic role was highlighted. • The benefit of the coordination and cross cutting work the CCM team undertake was also highlighted and universal support was

	<p>given to maintaining an in-house service.</p> <ul style="list-style-type: none"> • The regeneration agenda was acknowledged as being a mammoth task and that CCM is critically placed to ensure the roll out and onsite management of the plans. • The strength of feeling was such that the group did not complete the scoring of this option.
Financial Implications	<ul style="list-style-type: none"> • By transferring the admin and management function of CCM to BID it is assumed that BID will take on the financial responsibility for the staff salaries according to the following breakdown <ul style="list-style-type: none"> - City Centre Manager (32.5 hours per week) - City Centre Operations & Projects Officer (34 hours per week) - City Centre Project Support Officer (full time) - City Centre Lettings & Admin Officer (20.12 hours per week) • The associated total salary bill and hence staff saving to the Authority is approx. £105,500 per annum plus 35% on-costs (£142,425). The annual income however being generated by this team is £170,000 which offsets the staffing costs and generates a surplus of £27,575 which would be lost through the transfer. • By transferring the Ranger function of CCM to BID it is assumed that BID will take on the financial responsibility for the salaries of the four staff the bill for which is £113,805. This is offset by 25% of the costs already coming from BID and the surplus of £27,575 being generated by the CCM admin and management function. • The total saving to the Authority by transferring CCM in its entirety to BID is therefore £64,313. However, it is anticipated that BID would request a financial contribution from the Council to support the transfer arrangement. Whilst the figures are unknown at this stage any commitment would therefore reduce the overall saving being derived.
Legal Implications	<ul style="list-style-type: none"> • According to BID legislation, BID's must deliver additionally to the services traditionally undertaken by the public sector. Transferring CCM would not achieve this objective. • BID legislation also sets thresholds that BID organisations must observe in regards to the number of staff employed as a proportionate of the total levy and other funds generated. It is understood that Swansea BID is currently at the maximum threshold in terms of existing staff numbers and therefore would not be able to absorb any additional staff.
HR Implications	<ul style="list-style-type: none"> • Redeployment/ redundancy/ tupe transfer measures would need to be undertaken for staff. • Consultation with the Trade Unions would need to be undertaken as a matter of course. • The required notice period would need to be observed by staff.

7.3 Options Scoring Summary - City Centre Management

The transform in house option was scored at a Stakeholder workshop on April 29th. For the outsourcing to private sector option, participants were unable to complete the scoring during workshop and so a score of 11 was allocated by the Service Manager.

Criteria	Transform In House	Outsource to Private Sector
Service Outcomes	4.0	0.0
Fit with Council Priorities	4.0	1.0
Financial Impact	3.7	2.0
Sustainability/Viability	4.0	1.0
Deliverability	4.0	1.0
Total	3.9	1.2
Ranking	1	2

With the highest score of 3.9 the transform in house option is the best outcome.

7.4 Preferred Delivery Model – City Centre Management

The preferred delivery model for City Centre Management is **Transform in House**. This will bring forward efficiencies and improvements in regards to the City Centre Management function. It affirms City Centre Management’s critical position as a key delivery body and driver of change to improve the City Centre which is a major priority for the Authority.

8.0 CLUSTER 5 – SWANSEA MOBILITY HIRE OPTIONS APPRAISAL

8.1 Business models under consideration

Transform In-House - The measures have been considered in isolation or in combination to transform the existing service in house with focus on diversification and increasing the existing fees and charges.

Collaboration/ Partnership/ Community Transfer - To engage Swansea Council for Voluntary Services (SCVS) and/or another third sector partners to consider options to register Swansea Mobility Hire as a charity and/ or to engage volunteers in the future running of the Service.

Combination of Transform In House & Collaboration/ Partnership/ Community Transfer This option reflects the combination of the transform in house measures outlined above to diversify and enhance the existing performance of the service in conjunction with the development of a collaboration agreement with a third party.

Cease Service - The operation of the Swansea Mobility Service be terminated and the Unit closed.

8.2 Options Appraisal – Swansea Mobility Hire

Option A – Transform In House
<p>Option 1 –Diversification (Left Luggage) The patronage of the existing Left Luggage scheme is growing however there is poor visibility of it in terms of passing footfall and marketing and promotion and thus the overall</p>

income that is being derived (just under £1,000 in 2016-17).

The option to expand the existing Left Luggage scheme to the corridor alongside the SMH unit in the Bus Station could be considered together with options to improve the overall promotion of the Scheme.

Option 2 – Diversification (Repair Service)

The option to diversify the Service to introduce a repair service for privately owned mobility equipment could be considered as part of the commissioning process.

Option 3 – Diversification (Improving Access)

The option for the Mobility Hire Team to work more closely with local access bodies regarding the City Centre such as the RNIB and SAFE and to work with the City Centre Rangers to identify and coordinate access related actions and communications.

Option 4 – Diversification (VIP Designation)

The option to designate and promote Mobility Hire as a Visitor Information Point for customer and tourism related enquiries and to take on the administration of the From Busk Till Dawn permit scheme from CCM.

Option 5 – Fee Increase

The option to increase fees and charges for the Service could be considered as they were last increased in January 2015.

Advantages	<ul style="list-style-type: none"> • Options 1, 2 and 5: Increase of income to the Service and reduction of overall Council subsidy. • Option 1: The view is that there is anticipated demand for more visible left luggage and shopping services and awareness is currently poor. • Option 3: Currently there is no single point of contact and overall coordination in regards to access issues in the City Centre. This measure would address this issue going forward. • Options 1-4: There is current capacity within the team to undertaken additional work in conjunction with other Council service i.e. the City Centre Rangers and Tourism and Marketing • Option 4: This measure will help address the gap in provision following the closure of the City Centre Tourism Information Centre and provide a point of contact for face to face interaction. • Option 4: In terms of the issuing of busking permits this would enable the customer (i.e. the busker) to be issued with a permit from a central point based within the City Centre (and not have to visit the Civic Centre).
Disadvantages	<ul style="list-style-type: none"> • Option 2: Repairs and maintenance would need to be undertaken on the first floor which may impact on lone working measures downstairs and the visibility of the SMH Supervisor. • Option 2: Transportation of the equipment for repair may be an issue for customer if the item is defective. • Option 5: It could be argued that those perceived as more vulnerable in society are being targeted in regards to the potential fee increase. • Options 2-4: New skills/ training would need to be developed

	<p>among the team to be able to realise these changes.</p> <ul style="list-style-type: none"> • Option 4: There is limited space within the unit to incorporate information stands for tourism related literature.
Workshop Feedback [& Follow Up]	<p>The following comments were received from participants in the workshop a commentary on which is provided in brackets:</p> <ul style="list-style-type: none"> • Luggage drop off is very 1980's is there a demand for this service? <i>[Feedback from colleagues in Culture and Tourism together with historical complaints suggest that there is demand for expanding the service, however, consultation would be required to formally test this proposition].</i> • Luggage drop off is there a security issue and management of this would need to be thought out so luggage and lockers were picked up for a certain time? <i>[The development of existing Standard Operating Procedures would be built into the development process].</i> • Have we thought about mobile phone charging points across the city maybe wireless ones etc.? <i>[This option would be worth testing together with provision for Amazon lockers].</i> • The current shop and facilities are not suitable so have we thought about moving the mobility services into the Swansea Market? <i>[There is only limited space available within the Market at present due largely to the high rate of occupancy. The space in the centre of the Market that is available and currently used for casual trading is too small to house the operation of the service which is run over two floors at present].</i> • During scoring it was agreed that why not merge in house transformation and then look to having a shared delivery model e.g. volunteers and maybe having this with other wellbeing services both these options scored similar but with a view to bring together. <i>[This feedback is reflected in the addition of Option 3 below].</i>
Financial Implications	<ul style="list-style-type: none"> • Options 1-5 - The total additional income generation through the application of the combined options is anticipated to be approximately £5,000 per annum. • Option 1: The initial expansion and improved promotion of the Left Luggage scheme would be expected to generate nominal sums however this additional revenue would cover costs and income would be anticipated to improve with increased awareness and use over time. • Option 2: The application of fees and charges for the repair and servicing of equipment would need to be considered. • Option 4: Some set up costs would be required for signage and possible information stands but these would be nominal. • Option 5: The fees and charges were last increased in January 2015 and resulted in a downturn in patronage. Whilst the overall income did increase, existing customers curtailed the way they used the Service and visited the City Centre less which had a knock on effect elsewhere.
Legal Implications	<ul style="list-style-type: none"> • Option 2: Issues regarding liability and health and safety would

	<p>need to be fully explored in the event of a defective repair/ accident.</p> <ul style="list-style-type: none"> Option 1: The view of South Wales Police Anti-Terrorism Unit and the Authority's Resilience Team would need to be invited in regards to the provision of left luggage lockers in the Bus Station. Given that the lockers would be unmanned once the Unit is closed and the risks associated with this it is anticipated that support may not be forthcoming, particularly given the recent events in London and Manchester.
HR Implications	<ul style="list-style-type: none"> Options 1-4: The existing SMH Supervisor, who has the knowledge and experience to diversify the service and specifically to undertake servicing and repairs to the equipment, is due to retire in a couple of years. Succession management together with the training and development of the remaining team would need to be considered.

Option B – Collaboration/ Partnership/ Community Transfer	
To engage Swansea Council for Voluntary Services (SCVS) and/or another third sector partners to consider options to register Swansea Mobility Hire as a charity and/ or to engage volunteers in the future running of the Service.	
Advantages	<ul style="list-style-type: none"> Reduced staffing related costs as a result of restructuring. Opportunity to source external funding not currently available as a registered charity.
Disadvantages	<ul style="list-style-type: none"> The rota and operation of the Service may be affected by the commitment of volunteers to staff the unit. This may result in continuity issues. The appetite of SCVS to engage with the Council regarding this option will dictate how this option would be progressed. The continuity and quality of service delivery maybe affected.
Workshop Feedback	<ul style="list-style-type: none"> General support was expressed in relation to the ability of this option to retain the service and its staff and to engage the community in its management and development going forward.
Financial Implications	<ul style="list-style-type: none"> Reduced overall operating costs from staff savings of £20,000. However, the overall savings are small given the low level running costs of the existing Service. As a charity there maybe the opportunity to apply for grants and financial support, for example, for access improvements etc. Additional support would be required to develop this aspect given the current skill-set of the existing team.
Legal Implications	<ul style="list-style-type: none"> The process of registering as a charity would need to be formally mapped. A Service Level Agreement would need to be devised with the delivery partner to provide clear terms of reference for the

	<p>operation and management of this option e.g. roles and responsibilities of the Rangers, hours committed too etc.</p> <ul style="list-style-type: none"> • DBS checks for volunteers would need to be built into the process.
HR Implications	<ul style="list-style-type: none"> • Potential redeployment of staff and/or redundancies/ transfer via tupe arrangement. • Consultation with the Trade Unions would need to be undertaken as a matter of course. • Training of volunteers would be required. • Consideration will need to be given as to the implications associated with replacing paid personnel with volunteers.

Option C – Combination of Transform In House & Collaboration/ Partnership/ Community Transfer

This option reflects the combination of the transform in house measures outlined above to diversify and enhance the existing performance of the service in conjunction with the development of a collaboration agreement with a third party.

Advantages	<ul style="list-style-type: none"> • As above.
Disadvantages	<ul style="list-style-type: none"> • As above.
Workshop Feedback	<ul style="list-style-type: none"> • This option has been added to reflect the feedback that was received during the stake-holder workshop to combine Option A and B above.
Workshop Scoring	<ul style="list-style-type: none"> • Unscored as a combination of Options A and B above.
Financial Implications	<ul style="list-style-type: none"> • As above.
Legal Implications	<ul style="list-style-type: none"> • As above.
HR Implications	<ul style="list-style-type: none"> • As above.

Option D – Cease Service

The operation of the Swansea Mobility Service be terminated and the Unit closed.

Advantages	<ul style="list-style-type: none"> • Overall a saving to the Authority would be achieved in terms of staffing and expenditure. Some income may also be derived from the sale of the equipment.
Disadvantages	<ul style="list-style-type: none"> • The Transportation Team who manages the Bus Station would need to find another occupier for the Unit once vacated. • A backlash from customers and the disabled community in Swansea would be expected. • Reducing services in the City Centre is in contradiction to the City Centre regeneration programme and the Council's corporate

	<p>objectives regarding the City Centre.</p> <ul style="list-style-type: none"> • An alternative base for the City Centre Ranger team, who work out of the first floor, would need to be sourced in the City Centre.
Workshop Feedback [& Follow Up]	<ul style="list-style-type: none"> • A strong view was shared by the workshop participants that the option to outsource the service wasn't a good idea and that the Unit should not be closed given firstly the relatively small sums of money involved in operating the service and also the perceived undermining of the Authorities overarching objective to regenerate the City Centre. The strength of feeling was such that the group did not complete the scoring of this option.
Financial Implications	<ul style="list-style-type: none"> • A saving to the Council via the CCM budget of approximately £94,000 per annum would be achieved however this would be off-set by the additional costs to the Transportation Team who manage the Bus Station in the form of lost revenue from the rent of approx. £20,000 per annum as well as liability for Business rates of approx. £7,000 per annum until another occupier can be found. The immediate savings to the Authority would therefore be approximately £67,000. • There may be direct and indirect reparation and 'moving-out' costs associated with this option which would need to be resourced. • Redundancy payments would apply to the existing staff if redeployment is unsuccessful. • The resale of the equipment inventory would need to be managed and a potential income from which may be derived.
Legal Implications	<ul style="list-style-type: none"> • The required notice would need to be given to the Transportation Team to terminate the lease. • Liability issues associated with the reinstatement of the Unit would need to be considered. • General consultation would be required among service users and local residents regarding the closure plans.
HR Implications	<ul style="list-style-type: none"> • Redeployment/ redundancy measures would need to be undertaken for staff. • Consultation with the Trade Unions would need to be undertaken as a matter of course.

8.3 Options Scoring Summary - Swansea Mobility Hire

The options were discussed at the stakeholder workshop on March 29th. The new option C (transform in house and collaboration/ partnership) was developed after the workshop to reflect the feedback received on the best way forward, and as a result this option was not scored. We were unable to complete scoring on option 4 – Cease Service during the

workshop therefore the scoring was allocated by the Service Manager based on feedback from both the workshop and internal staff engagement.

Criteria	Transform In House	Collaboration/ Partnership/ Community Transfer	Cease Service
Service Outcomes	4.0	4.0	1.0
Fit with Council Priorities	3.0	3.0	1.0
Financial Impact	3.7	3.3	2.7
Sustainability /Viability	3.5	2.5	0.0
Deliverability	5.0	3.0	4.0
Total	3.8	3.2	1.7
Ranking	1	2	3

8.4 Preferred Delivery Model - Swansea Mobility Hire

Having taken all of the above into account, the different models of delivery have now been considered and it's been determined that the most suitable way forward for Swansea Mobility Hire is a **combination of Transform in House and Collaboration**. This is recommended on the basis that it will bring forward efficiencies and improvements to the service. Swansea Mobility Hire had previously been identified for transfer or closure, and its testament to the progress that has been made in reducing costs that views have now changed.

Proposals for fee increases have been subject to an Equalities Impact Assessment to ensure that they will not have a significant impact on vulnerable individuals. The full Equalities Impact Assessment Screening is attached in Appendix G.

9.0 CLUSTER 6 – SWANSEA MARKET OPTIONS APPRAISAL

9.1 Business models under consideration

Transform In-House - Measures have been considered and could be delivered in isolation or in combination to transform the existing service in house.

Outsourcing - To consider an alternative delivery mechanism for the Market for example, selling the Market or developing a joint venture partnership with a private sector operator and/or a cooperative of traders.

9.2 Options Appraisal – Swansea Market

Option A – Transform In House

Option 1 – Implement cashless payment of rents for traders via the application of Direct Debit payment.

Option 2 – Introduce an ‘Additional Space’ space policy in the Market to improve aisle circulation space and generate additional income.

Option 3 – Set up a development fund for future regeneration works to the Market against which match funding could be sought.

Option 4 – Identify external funding sources and submit applications to secure budget to deliver the Market Masterplan to support the long term sustainability of the Market and improve declining footfall.

Option 5 – Develop and promote the current casual trader area in the centre of the Market to encourage entrepreneurial activities.

Option 6 – Review the existing Stall Lettings Strategy to maintain and address vacant units including provision for meanwhile uses, events, promotions and short term rental incentives plus enhanced marketing of available units.

Option 7 – Improve the customer experience and access by increasing the visibility of staff to customers by the introduction of more obvious corporate uniform choices and branding, consideration to the introduction of a ‘Shop and Drop’ scheme and the development of a suite of measures to make the entrances more visible and attractive. Exploit digital media to promote the market to customers.

Advantages

- Option 1 – This measure has been written into the new Market leases which are due to be implemented.
- Option 1 – This measure will streamline the rent collection process and release the Market Inspector who currently collects the rents to concentrate on other duties. *(staff reductions are not possible due to minimal staffing threshold required for safety)*.
- Option 1 – Modernisation of the Market’s financial and account management systems.
- Options 1, 2, 3 & 5 – Preliminary work has already been undertaken in preparation of these measures.
- Option 2 – Unlocking of aisle space and improved circulation, access, safety and flow of customers through the facility.
- Option 2 & 6 – Adoption of a consistent approach and clear policy for the use of additional space in the Market and encourage future stall lettings.
- Option 3 & 4 – These options will demonstrate to the traders and other stake-holders the Authority’s continued commitment to the development of the Market as part of the wider regeneration of the City Centre.
- Options 3 & 4 – These actions have senior political support.
- Option 5 – The improved appearance and management of a key and central part of the Market.
- Option 5 – Improving the infrastructure will widen the appeal of this area to budding entrepreneurs which will in turn increase the diversity of the Market offer.
- Option 5 & 6 – These measures will support the development of new businesses, jobs growth and the economic prosperity of the area.

	<ul style="list-style-type: none"> • Option 5 – Encourage a new generation of Market traders thus supporting the sustainability of the Market and its aging trader-base. • Option 5 – The promotion of the casual trading area could draw upon the existing trader and business contacts held by the Service. • Option 6 – Taking a proactive approach to address the feedback and concerns of traders regarding future occupancy levels. • Option 6 – Encourage new traders and types of uses to support a diverse offer. • Option 2, 5 & 6 – Increased and sustainable income and commercialisation of the facility. • Option 7 – Improve customer experience.
Disadvantages	<ul style="list-style-type: none"> • Options 1 & 2 – Anticipated resistance from the Market traders regarding this change. Possible phasing maybe considered and communications will be key. • Option 1 – The option to restructure the Market team with the implementation of this option is impeded by the minimal staffing thresholds that are required on the basis of health and safety. • Options 2 & 5 - Little direct financial benefit is derived to the Authority in terms of reducing the Market’s operating costs as the consequence is a reduction in the service charge element of the trader rents. • Option 3 - would require additional income to the Market to be derived and transferred annually to the development fund. The net impact on the Authority would therefore be zero. • Option 4 – Given the extensive regeneration programme for the City Centre, there is significant competition for funding and resources to deliver improvements to the Market. • All Options - There is limited capacity within CCM team to develop these projects and in particular the resources associated with the delivery of Option 3 (see CCM Options below). • Option 5 – There is limited space within the Market for events and activities and this measure will curtail that further. The development of a modular based system that could be removed when not in use could however be considered to address this issue.
Workshop Feedback [& Follow Up]	<p>The following comments were received from participants in the workshop, a commentary on which is provided in brackets:</p> <ul style="list-style-type: none"> • Is there an option to reduce the staff rota and opening hours for Market? [Due to the minimal staffing levels required for the safe operation of the Market a reduction in staffing is not possible, however, there may be some opportunity to curtail the operating hours]. • Putting in place support and packages for the traders to assist business growth and development e.g. rate increases, marketing support and branding etc. [Marketing support is currently available to the traders, for example use of the Market’s digital platforms. Assistance is also provided in terms

	<p>of health and safety compliance. The offer of social media and merchandising training has been rejected].</p> <ul style="list-style-type: none"> • Have you thought about putting in lampposts or floor markings to stalls so people have directions to the stalls? A stall map on the entrances would also be a good idea. [Tear-off maps are already provided at each entrance together with static illuminated map boards. Measures to improve navigation have been built into the Market Masterplan]. • What stalls within the Market are advertised outside as in the enterprise parks? [Plans have been developed to introduce advertising boards at the entrances for trader advertising.] • In terms of renting out space to new businesses these spaces should be on a 2 month to 6-month contract not just for a weekend or a few days. [The casual trader area has been developed to provide a flexible and affordable lettings space for new or developing businesses to test their business model. The permanent Market stalls are subject to a lease for which there is no minimal term however the surrender period is 6 months which is a standard clause]. • The rates for casual traders should match the rents for the permanent traders over the time and space that is used. [See above]. • Applicants from prospective tenants should have an USP and not duplicate the products already being sold in the Market. [The vetting of prospective tenants is subject to an established Lettings Policy and application process which takes account of the existing occupancy of the Market and gives preference to product/ service lines that are not currently represented].
Financial Implications	<ul style="list-style-type: none"> • Option 1 - The Current Arrears Procedure will need to be reviewed to ensure visibility of payments, defaults and arrears. • Options 2 & 5 - Increased income to the Council estimated at approx. £5,000 per annum. • Option 3 - The financial management and operation/ criteria associated with the creation and use of a 'sink/ development fund' will need to be considered. Additional income to the Market will need to be achieved to ensure the net impact on the Authority is zero. • Option 8 – The costs associated with these measures can be funded from existing budgets.
Legal Implications	<ul style="list-style-type: none"> • Options 1 & 2 – The consistent treatment of non-compliance according to the terms of the Market lease will need to be considered.
HR Implications	<ul style="list-style-type: none"> • Option 1 – A review of the job descriptions and job evaluation for the Market team will be required, in particular that for the Market Inspector.

Option B – Outsource	
To consider an alternative delivery mechanism for the Market for example, selling the Market or developing a joint venture partnership with a private sector operator and/or a cooperative of traders.	
Advantages	<ul style="list-style-type: none"> • The engagement of a new provider may generate new ideas, streamline processes and procedures and reduce bureaucracy. • Adoption of a more commercial / private sector approach to the management and development of the Market. • Potential for private sector investment
Disadvantages	<ul style="list-style-type: none"> • The current surplus income being generated by the Market which is used to support the delivery of other Council services could be affected positively or negatively. This could only be tested through a competitive bidding process • Maintaining management control is critical especially at this time given the substantive regeneration programme being brought forward for the City Centre and the role of the Market being in the heart of the City Centre and therefore critical to the delivery of the Authority's regeneration strategy. • The ability of the Market traders to take on the management of the Market is subject to their capability and capacity to do so. The view is that traders do not have the knowledge, skills or experience in this area. • A commercial approach to the management and development of the Market is already being undertaken by officers who have introduced multiple measures to ensure the efficiency and effectiveness operation of the facility and the resulting revenue to the Council.
Workshop Feedback [& Follow Up]	<p>The following comments were received from participants in the workshop, a commentary on which is provided in brackets:</p> <ul style="list-style-type: none"> • The importance of sustaining the 98% occupancy rating of the Market was stressed by the group. [Whilst a level of churn is expected, the occupancy of the Market has been stable for some time]. • The option of retaining the service in house was universally accepted but equally support was given to ensuring the income generating ideas and measures to support the traders were implemented.
Financial Implications	<ul style="list-style-type: none"> • The Market currently generates an income of approx. £1.2million per annum mainly through the Market rents. Taking account of the budgeted expenditure and other costs, a surplus of approx. £706,000 per year is generated to support the delivery of other Council projects and services. The outsourcing of the Market would expect to see the removal/ reduction of this income to the Authoritygoingforward.
Legal Implications	<ul style="list-style-type: none"> • Full engagement of the Council's Legal team will be required to consider the legal implications and terms associated with the sale and/or development of a contractual arrangement regarding the outsourcing/ engagement of a third party.

	<ul style="list-style-type: none"> • Consideration would need to be given to the evoking of the 'development clause' of the Market lease. • The requirement for consultation with the Market traders and other key stake-holders would need to be looked into.
HR Implications	<ul style="list-style-type: none"> • Potential redeployment of staff and/or redundancies/ transfer via tupe arrangements. • Consultation with the Trade Unions would need to be undertaken as a matter of course.

9.3 Options Scoring Summary - Swansea Market

The options were discussed and scored at a stakeholder workshop on March 29th. The highest scoring option was Transformation in house, with 3.9.

Swansea Market	Transform In House	Outsource to Private sector
Service Outcomes	4.0	1.0
Fit with Council Priorities	4.0	1.0
Financial Impact	3.7	1.0
Sustainability/Viability	4.0	1.0
Deliverability	4.0	1.0
Total	3.9	1.0
Ranking	1	2

9.4 Preferred Delivery Model - Swansea Market

The preferred delivery model for Swansea Market is to **Transform in House**. This has been chosen because it would bring forward efficiencies and improvements in the running of the Market, while enabling the Council to retain control of a key asset for the City Centre which generates in excess of £1m in income per annum.

10.0 CLUSTER 7 – ECONOMIC DEVELOPMENT & EUROPEAN FUNDING OPTIONS APPRAISAL

10.1 Business models under consideration

Option 1 'As is': status quo following the simple merger of the teams brought together under one line manager but no other significant changes of approach.

Option 2 Transform in house: will make the most of the strong foundations of the existing three sub-teams to maximise the output of external funding in line with corporate objectives and economic development needs.

- **External Funding Advise and Support:** further develop the External Funding 'advise and consultancy' function through additional core resource to coordinate, develop and bid for £30m + external funds
- **Maximise remaining EU funds**
- **Post Brexit funding situation:** on alternative funding options

- **Grant coordination:** supporting wider grant coordination in conjunction with Finance, charging for external funding support and maximising grant income in support of Council objectives
- **Swansea Economic Regeneration Partnership review:** review membership and alignment to fit better with the evolving economic regeneration agenda and linking better with private sector
- **Beyond Bricks and mortar implementation:** small additional resource to enhance new work streams in particular apprenticeships, as well as broadening social benefits work beyond construction to other contract types; further work with procurement; resource to push agenda further

Option 3 Outsource to private sector: To fully externalise the team where external provision can be identified, though not all elements of the team exist in this way.

Option 4 Regionalise: Potential to consider regionalisation of the function working with neighbouring local authorities.

10.2 Options Appraisal – Economic Development & External Funding

Option 1 – As is	
The Economic Development and External Funding Team has been formed from merging the current European and External Funding Team, Economic Development and Beyond Bricks Mortar Teams. The ‘as is’ option is the status quo following the simple merger of the teams brought together under one line manager but no other significant changes of approach.	
Advantages	<ul style="list-style-type: none"> • Underpins specific corporate objectives and associated team in particular regeneration of the City Centre and supporting people into employment to reduce poverty • Majority of team is externally funded • Good spread of compatible skill sets and resources • Cross-departmental working for all sub-teams supporting the wider Council corporate objectives holistically.
Disadvantages	<ul style="list-style-type: none"> • Could be better links between the sub-teams and opportunities in the externally funded projects and core-funded initiatives • Could be better links between implementation staff influencing strategic direction based on direct feedback from ‘the coalface’. • Staffing resource restrictions in seeking new funding due to lack of available core staff time that is ‘clean’ of external funding. • Staffing resource restrictions in servicing wider agenda, e.g. working external partnerships to best effect.
Financial Implications	<ul style="list-style-type: none"> • Cost base remains the same • Bulk of team externally funded
Legal Implications	<ul style="list-style-type: none"> • None
HR Implications	<ul style="list-style-type: none"> • Small number of core funded staff (Economic Development and BB&M), External funding team externally funded (fixed terms contracts).

Option 2 – Transform in house

The Economic Development and External Funding Team has been formed from merging the current European and External Funding Team, Economic Development and Beyond Bricks Mortar Teams. The sum of the parts of the new team provide a major opportunity to significantly improve cross-programme and cross-Council working across a number of agendas that are 'enabled' by the support provided by the combined team.

The full transform in house option will make the most of the strong foundations of the existing three sub-teams to maximise the output of external funding in line with corporate objectives and economic development needs.

External Funding Advice and Support: There are significant opportunities to further develop the External Funding 'advice and consultancy' function through additional core staffing resource to coordinate, develop and bid for external funds that support not only the Councils Economic Regeneration agenda and corporate plan but for external organisations and community groups to realise the potential that funding could unlock. Currently the EEFT has a list of programmes valued at £33m in the pipeline, but very limited staffing resource to lead on this. Without additional core resource the opportunity to secure millions of pounds of external funding for the Authority will be undoubtedly be lost:

- ERDF Kingsway Employment Growth Hub (£4m)
- ERDF Dyfatty junction re-construction (£10m)
- ERDF Building for the Future (£6m)
- Coastal Communities Fund (£300k)
- Vibrant and Viable Places (£2m)
- Vibrant and Viable Places 2 (£5m)
- Heritage Lottery Fund – Parks for People (£100k)
- Heritage Lottery Fund – Morrision Townscape (£2m)
- Heritage Lottery Fund – Mumbles Pier (£1.7m)
- Heritage Lottery Fund – Tabernacle (£250k)
- ESF Cam Nesaf (£1.6m)

Maximise remaining EU funds: Crucially following the extended UK Government EU Funding Guarantee along with updates from, WEFO and Welsh Government emphasising that new "projects which are approved whilst we remain in the EU will be fully funded, including for expenditure which occurs post exit" there is a real need for capacity to respond quickly to new funding prospects made available whilst we remain part of the EU. As at 21st December 2016 39% of EU Structural Funds was still available for the 2014-2020 Programme Period out of £2B ESIF.

Post Brexit funding situation: The team is also working to adapt to the changing landscape and working on alternative options to ensure strategic delivery of corporate objectives can be maintained and kept up to date.

Finance and Income generation: through additional resource the team would adopt an 'invest to save' approach with added capacity to support wider grant coordination in conjunction with Finance, charging for external funding support and maximising grant income in support of Council objectives. (This is a recognised need highlighted in the options appraisal workshop).

Swansea Economic Regeneration Partnership review: Other than business support, the

ED function is delivered in the City and County of Swansea by one full-time and one part-time (1.6 FTE, although currently operating 1.2 FTE under continuing flexible working arrangements) Economic Development Officers. This remains an essential element to supporting strategy and project development in support of corporate objectives and the City Deal. The Economic Development arm of the team will be responsible for a review of the Swansea Economic Regeneration Partnership in terms of membership and alignment to fit better with the evolving economic regeneration agenda, improve consultation qualities and delivery capacity; links to other partnerships. In particular improved and refreshed links with the private sector are essential to underpin corporate objectives (this was identified as a key issue by participants in the options appraisal workshop). Role of chairs of other relevant partnerships linking in to SERP agenda.

Beyond Bricks and mortar implementation: this team has been highly successful but lacks implementation capacity. A small additional resource would unlock significant capacity to support the work of the wider team and more scope to enhance new work streams in particular apprenticeships, as well as broadening social benefits work beyond construction to other contract types; further work with procurement; resource to push agenda further

Collaboration with regional partners to deliver city deal and local government reform opportunities: pursuing opportunities for regional working across the Swansea Bay City Region, in line with the City Deal Agreement, to deliver shared economic regeneration priorities.

Advantages	<ul style="list-style-type: none"> • Underpins specific corporate objectives and associated team in particular regeneration of the City Centre and supporting people into employment to reduce poverty • Potential to re-balance skills sets across the wider group of teams • Maximise the benefits of the existing staffing resource, projects and programmes • Draw out additional benefits from linking across the wide portfolio of programmes and projects covering range of council priorities • Maximise impact and added value of external funding sources – which was identified as an issue by participants in the options appraisal workshop, including maximising engagement of external partners in particular via the SERP. • Better relationships and working with strategic external partners through reformed SERP • Better targeting of employability resource and improved linkages to regeneration and other major initiatives
Disadvantages	<ul style="list-style-type: none"> • Fixed terms contracts could affect staff retention • Uncertainty over future funding streams
Financial Implications	<ul style="list-style-type: none"> • The team would significantly benefit from core funding to support the transformational agenda to increase capacity particularly in buying experienced officer time to support coordinating the development and bidding for external funding through 'advice and consultancy' function. • Resource to support stronger implementation of apprenticeship scheme • Reduce risk of losing key experienced staff as a result of fixed

	<p>term contracts.</p> <p>Additional core revenue funding is required to the total value of £71,500p.a, which alongside existing core budget of £16,000, will finance the appointment of two officers. One experienced officer with a budgeted cost of £52,918 would coordinate and bid for £33M+ in external funding and the second officer with a budgeted cost of £34,549 would support implementation of an apprenticeship scheme. Without additional core resource the opportunity to secure millions of pounds of external funding for the Authority will be undoubtedly be lost.</p>
Legal Implications	<ul style="list-style-type: none"> • None
HR Implications	<ul style="list-style-type: none"> • Large parts of team externally funded on fixed term contracts, core funding would enhance the delivery of the External Funding Service • Potential to re-balance skills sets across the wider group of teams

Option 3 – Outsource to private sector

Break service up into components and outsource to private consultants.	
Advantages	<ul style="list-style-type: none"> • Commission delivery • Outsourcing can secure specialised expertise/resources not necessarily available in-house; • It can be more cost-effective to appoint outsourced service providers when delivering specific services not regularly required in-house; • Consultants are often able to bring broad experience gained elsewhere from working with previous client organisations and with supplier researchers/consultants. • Ability to ‘buy-in’ specialist knowledge
Disadvantages	<ul style="list-style-type: none"> • Would not be possible to provide holistic package of joined up services currently offered. • Lack of local economic development knowledge (links with partner organisations, local conditions, local contacts, historic knowledge) • Complex to access central systems of local authority for external funding purposes – additional resource impact for internal central services responding to audit queries to an external contractor • Lack of real ownership and local context • Lack of ability to respond quickly to internal queries from senior management/politicians at very short notice to required depth. • Lack of commitment to local area – only a contractual relationship not an investment.
Financial Implications	<ul style="list-style-type: none"> • Higher costs due to shorter term contracts and profit element. A review of private sector rates shows that the cost would be more than double (£594k) for the same core resource. • Still need for contract management role inside the authority

	<ul style="list-style-type: none"> • Risk of issues with compilation of financial and monitoring information • Difficult to justify value for money • Saving of internal staff costs – cost neutral in terms of external funding team staff
Legal Implications	<ul style="list-style-type: none"> • Complex contractual arrangements • Need for contract management and performance management
HR Implications	<ul style="list-style-type: none"> • Staffing implications tied up in contracts; loss of existing skills and legacy knowledge • Potential TUPE implications

Option 4 – Regionalisation	
Potential to consider regionalisation of the function working with neighbouring local authorities.	
Advantages	<ul style="list-style-type: none"> • Potentially more joined up across the region • Economies of scale • CCS currently has largest relative resource in this area of work so could be an option if Swansea leading.
Disadvantages	<ul style="list-style-type: none"> • Lack of local knowledge, e.g. City Deal approaches in England such as Greater Manchester have both regional and local support teams as there is still a substantial body of work and input required from local level that feeds regional level work. Another example would be NPT tourism team being deleted due to existence of regional tourism partnerships. Creation of a Destination Management Plan was made difficult due to loss of local team that would draft the plan. Regional level did not have the resource or remit to do this. • Loss of local intelligence and information gathering • Loss of legacy knowledge • Lack of scope for speedy responses to urgent queries • Lack of local relationships and contacts • Lack of commitment to the local area • A reduction in capacity to support each local area included to the full – implied reduced resource means less capacity – the choice implies a more restricted service.
Financial Implications	<ul style="list-style-type: none"> • Cannot be viewed as a cost saving opportunity • Whilst in theory it would be seen as a cost saving by reducing staffing and basing staff in a single location for the wider region, in practice local support would also be needed, so in practice costs would rise if the same level of support as currently provided is still required. • Governance structures are not fit for purpose to manage resource allocation for ED and external funding distribution. • Drives up costs, as regional management structures of necessity have to be replicated to an extent at local level in order to provide information on local performance and expenditure (e.g. any regional European or Welsh Government

	funded programme)
Legal Implications	<ul style="list-style-type: none"> • Complex SLAs required
HR Implications	<ul style="list-style-type: none"> • Loss of local skills and legacy knowledge within the Authority • Potential TUPE implications

10.3 Options Scoring Summary - Economic Development & External Funding

Each option was discussed and scored in the Stage 4 workshop held on 29th March. Transformation in house was identified as the highest scoring option with 4.5 (out of 5).

	As Is	Transform In House	Outsource to Private Sector	Regionalisation
Service Outcomes	3.0	5.0	5.0	2.0
Fit with Council Priorities	3.0	4.0	3.0	2.0
Financial Impact	3.3	4.3	1.7	3.0
Sustainability/Viability	4.0	5.0	2.0	2.0
Deliverability	5.0	4.0	2.0	2.0
Total	3.7	4.5	2.7	2.2
Ranking	2	1	3	4

10.4 Preferred Delivery Model – Economic Development & External Funding

The preferred delivery model for the Economic Development & External Funding Team has been identified as Transformation in House, which can be summarised as:

- **External Funding Advice and Support:** further develop the External Funding ‘advice and consultancy’ function through additional core resource to coordinate, develop and bid for £30m + external funds
- **Maximise remaining EU funds**
- **Post Brexit funding situation:** focus on alternative funding options
- **Grant coordination:** supporting wider grant coordination in conjunction with Finance, charging for external funding support and maximising grant income in support of Council objectives
- **Swansea Economic Regeneration Partnership review:** review membership and alignment to fit better with the evolving economic regeneration agenda
- **Beyond Bricks and mortar implementation:** small additional resource to enhance new work streams in particular apprenticeships, as well as broadening social benefits work beyond construction to other contract types; further work with procurement; resource to push agenda further
- **Collaboration with Regional partners to deliver city deal and local government reform priorities:** regional working to deliver shared economic regeneration priorities

Full transform in house option will make the most of the strong foundations of the existing three sub-teams and maximise external funding and private sector engagement in line with corporate objectives and economic development needs.

11.0 KEY ISSUES GOING FORWARD

The emphasis on local government reform and regional collaboration, as outlined in the City Deal agreement, will impact on the service moving forwards, although there is not enough clarity at this stage to determine the full effect this will have. The Commissioning Review has identified transformation in house as the preferred option at this stage. This will ensure that the service is as efficient and effective as possible, and fit for purpose to respond to the more radical changes that are likely to result from Local Government Reform in future years.

It is apparent that the reduction in resources elsewhere in the Council (legal, HR, facilities, reduction in maintenance activities) is affecting the service's ability to deliver its priorities. In addition difficulties in recruiting to specialist posts within the service is constraining delivery and needs to be addressed.

The Service has a track record of securing significant levels of external funding, particularly European, to deliver the Council's regeneration agenda. Delivery of the Council's high profile regeneration proposals is dependent on continued success in securing funding. The commissioning review proposals will ensure the service is well placed to maximise remaining European funding opportunities, and pursue alternative funding sources post-Brexit.

The transformation being progressed through the Commissioning review will strengthen the service area's ability to meet its statutory duties in the areas of planning, biodiversity and natural environment.

12.0 OPPORTUNITIES AND BENEFITS

12.1 The estimated financial impact of the above recommendations are as follows:

Cluster Area	Est. Saving/Income	Est Cost
Cluster 1 DEVELOPMENT, CONSERVATION & DESIGN	£97000	£20000
Cluster 2 - STRATEGIC PLANNING & NATURAL ENVIRONMENT	£90000	
Cluster 3 - DEVELOPMENT & PHYSICAL REGENERATION	£20000	
Cluster 4 – CCM	£50000	£40000
Cluster 5 – MOBILITY HIRE	£25000	
Cluster 6 SWANSEA MARKET	£5000	
Cluster 7 - ECONOMIC DEVELOPMENT &		£71500

Full financial tables are included in Appendix E and further information available on request.

13.0 CONCLUSIONS AND RECOMMENDATIONS

This Commissioning Review has demonstrated that Planning & City Regeneration provides cost effective and high performing services that help to deliver the Council's corporate priorities. The proposals outlined in this report build on this strong foundation and introduce new ways of working to increase efficiencies, generate new income and ensure the service is fit for the future.

In particular, the commissioning review process has challenged the service to think outside and beyond its strategic and operational responsibilities. The workshops and stakeholder engagement have proven invaluable in testing our view of the service. The feedback and scoring has helped reaffirm our agenda and strengthen our proposed model of delivery, stimulating new ideas for efficiencies and income generation as part of an in-house transformation evolution of the service. This will provide a solid foundation for the more radical changes that are likely to impact on the service in coming years from the local government reform agenda being pursued by the Welsh Government.

The Commissioning Review process was undertaken before the new political priorities were known, but in house transformation remains the right option to pursue at this time to maintain momentum in delivery of the City deal and the wider City Centre Regeneration Programme.

When taken in combination, the in-house transformation of services results in a more efficient and cost effective service, with proposals to deliver a further £287k of budget savings, offset by some enabling costs where agreed. We realise that this represents a significant (circa 10%) reduction in the service's budget at a time when expectations for delivery are increasing. It also follows considerable savings delivered by the service in recent years. The proposed savings represent careful consideration by the service's SMT and are thought to be deliverable and sustainable, with manageable risk and impact on the service's ability to deliver against the corporate priorities. However, to reduce budgets even further would introduce significantly more risk and uncertainty at a time when our delivery is critical to Swansea's future economic prosperity.

It is recommended that:

- all aspects of the Planning & City Regeneration service are delivered through a transformed in house model.

14.0 EQUALITY AND ENGAGEMENT IMPLICATIONS

14.1 An EIA screening form was completed, and is attached in Appendix F. It is agreed that there will be little to no impact for any protected groups, and as a result, a full EIA has not been deemed necessary.

14.2 Mobility Hire - At this point in time we do not consider a full equality impact assessment to be necessary. This view is taken on the basis that the fundamental focus will continue to be the provision of access equipment for those with mobility issues seeking to use the City Centre. As a result, a full EIA has not been deemed necessary however the screening will remain open during implementation. A copy of the EIA screening form is attached in Appendix G.

15.0 IMPLEMENTATION

An implementation plan will be developed following approval of the proposed way forward by Cabinet.

BACKGROUND PAPERS: None

APPENDICES:

Appendix A: Gateway 1 Report

Appendix B: Additional Benchmarking Information

Appendix C: Workshop Attendees

Appendix D: Options Scoring Matrix

Appendix E: Financial Information

Appendix F: Equalities Impact Assessment

Appendix G: Equalities Impact Assessment – Mobility Hire