

RECORD OF EXECUTIVE DECISION

Tuesday, 20 December 2016

Decision No: (CAB 16/17 18283)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	LEADER
SUBJECT:	ALTERNATIVE SERVICE DELIVERY MODEL FOR SOME COUNCIL SERVICES
AUTHOR:	Mitch Sanders

THE DECISION

- (i) To delegate authority to the Chief Operations Officer, following consultation with the Leader, Service Director: Legal & Governance and the Service Director: Finance and Commercialisation, to establish a Local Authority Trading Company (LATCo) for the management, delivery and commercialisation of the in-scope services.
- (ii) To agree that in scope services to be included within the LATCo / procurement will (subject to further decision at the conclusion of the procurement process) include:
 - Street Cleansing and Waste Management & Collection (including Fleet);
 - Housing Operations & Management and Parks & Open Spaces (including Fleet);
 - Car Park Operations, Facilities Management and Bridge Operations;
 - Transport.
- (iii) To delegate authority to the Chief Operations Officer, following consultation with the Transformation Implementation Board (TIB), Service Director: Legal and Governance and the Service Director: Finance and Commercialisation, to determine the LATCo company structure, the terms of any contract between the Council and the LATCo for the delivery of in scope services and to finalise the governance arrangements in relation to the Council / LATCo and any public / private partner organisations procured to support the LATCo.
- (iv) To delegate authority to the Chief Operations Officer, following consultation with the Transformation Improvement Board (TIB), Service Director: Legal and Governance and the Service Director: Finance and Commercialisation, to undertake all actions necessary to appraise and consult on the options available to the Council in relation to a finalised staffing structure (operational based within the LATCo and commissioning client retained by the Council) in order to recommend a staffing structure and the delivery route for the same at the conclusion of the procurement process.
- (v) To delegate authority to the Chief Operations Officer, following consultation with the Transformation Implementation Board (TIB), Service Director: Legal and Governance and the Service Director: Finance and Commercialisation, to

- commence a procurement process to select one or more public and/or private sector partners to support the LATCo in the discharge of its duties.
- (vi) To note that the final decision on the services to be delivered through the LATCo, the staffing provisions, governance arrangements, financial implications and the appointment of one or more public and/or private partners to support service delivery will be referred to Cabinet / Council prior to the conclusion of the procurement process (currently expected in late 2017).

REASONS FOR THE DECISION

1. To enable the on-going transformation of a range of in-scope council services, particularly the need for a new operating model that supports cost efficiency in the delivery of services back to the Council together with further commercialisation and potential trading opportunities.
2. To maximise the effective, efficient and economic management and operation of the in-scope services.
3. To develop a commercial capacity that can, where appropriate and in the public interest, profitably trade the services with other councils, public sector organisations, businesses and, where relevant, residents of the City and the broader commercial market.
4. To support the Council in achieving its aim of continuing to grow the local economy, bringing investment into the city and increasing employment opportunities for local people.

DETAILS OF ANY ALTERNATIVE OPTIONS

The options appraisal considered a number of other options which were rejected:

- Retain and operate the services 'in-house';
- Outsource;
- Joint Venture; and
- Disposal.

These options did not support the aims and aspirations of the Council to the same extent as the recommended approach and the further detailed rationale for rejecting the above proposals are outlined in the report.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 20 December 2016

Decision Maker:
The Cabinet

Proper Officer:
Pat Wood

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*