



Council Overview and Scrutiny Committee
4 March 2015

New Models of Delivery Programme

Purpose of the report: Policy Development and Review

To update Members on the New Models of Delivery Programme.

1. On 26 March 2013, the Cabinet considered a report on Models of Delivery, aimed at strengthening the Council's approach to Innovation. This included a recommendation acknowledging the opportunities that a range of delivery models provides and welcoming future proposals (expressed as options appraisals and business cases) from services across the Council over the three-year period 2013-16.
2. To facilitate this process and help ensure a strategic approach was taken across the Council, the New Models of Delivery Programme was put in place to enable and assist service in identifying and assessing opportunities.
3. The primary objective of this approach is to deliver public value for Surrey residents and businesses; any profits generated for the Council through trading will be available to support the delivery of the Council's medium term financial plan, supporting service delivery within the authority, investing in new commercial ventures via the trading company and helping to keep Council Tax increases as low as possible in the future.
4. On 2 October 2014, Council Overview & Scrutiny Committee received an update on the New Models of Delivery Programme, outlining the 5D approach followed and suggesting ways in which Members could contribute to the work at the various stages. At that meeting, Members requested a report back in six months updating on the programme.
5. Members also asked for more information on the impact on staff, in setting up a new company and also if a local authority trading company (LATC) lost its contract with the Council. When creating a new model that is effectively outsourcing a service to another entity in one form or another, protection is provided by the law to the employees. The TUPE regulations mean that employees move to the new provider of the services, be this a LATC or another form of company or charity providing the service to the Council under a new contract. The TUPE is triggered by the award of a contract rather than as a result of creating a new company. Therefore should a LATC lose a contract to another organisation or by the service being brought back in house, TUPE would apply to any staff delivering directly against that contract.

6. Since reporting in October, the New Models of Delivery Programme has been involved in a number of activities. Key achievements include:
- A new company (with a consortium of five other county councils) for the management of TRICS (transport trip rate database) went live in January.
 - Commercial partner for Fire training identified, with a collaborative agreement now in place to enable us to bid jointly for work.
 - Action plan for SOLD (Surrey Outdoor Learning and Development) agreed with the service to support development of the most appropriate delivery vehicle for the future, aiming to report to Cabinet in September 2015.
 - Discovery phase for Disabilities, Fire Volunteers and Community Youth Work.
 - Easy guide to New Models and supporting toolkit developed to support managers through the 5D approach.
7. A number of research projects have also been completed, looking at alternative practices or models being set up elsewhere, reviewing alternative income streams and undertaking lessons learned from projects completed to date. These have all helped inform current approaches and also identified some potential areas to consider in future. Finally, a workshop was held with Cabinet Members to consider our approach to New Models and agree the principles to underpin further work on transformation and new models – the principles are attached at appendix 1.
8. The current work programme is attached at appendix 2. The main focus over the next six months will be completing the options appraisals and, if appropriate, business cases for Fire Volunteers, SOLD and Community Youth Work, as well as progressing Disabilities into a design and develop phase. In addition, if the collaborative arrangement for fire training is successful in winning any upcoming contracts, then an appropriate delivery model or models will need to be put in place to deliver the agreed services, with further reports to Cabinet as necessary.

Recommendation

The Committee notes the work programme and continues to support the approach.

Next steps

New Models of Delivery Team to continue to work with services in developing Options Appraisals and Business Cases, involving the relevant select committees as appropriate.

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Sources/background papers:

Strengthening the Council's Approach to Innovation: Models of Delivery (Cabinet, 26 March 2013)
 Investment & Trading (Council Overview & Scrutiny Committee, 12 September 2013)
 New Models of Delivery Programme (Council Overview & Scrutiny, 2 October 2014)

Summary of design principles for change and transformation

Resident focused

“One person, one budget”, user experience, reduced friction, keep it simple, reduce failure demand

One place, one budget

Maximise all resources within the system, more sustainable and effective approaches, attractive to partners

Add value

Clear customer benefit, improved outcomes, shared benefits

More for less

Cost effective, efficient, value for money

Future proof

Resilient, agile, flexible, modern and forward looking, build for longer term but be able to adapt

Digital by design

Make use of technology

Current Workstreams

