
ALTERNATIVE DELIVERY MODELS: EVALUATION METHODOLOGY

Purpose of Report

1. To provide information for Members on the Council's emerging methodology for evaluating Alternative Delivery Models, in preparation for a presentation on this subject at the Committee's 2 June 2015 meeting.

Background

2. This Committee is empowered through the Council's Constitution to "scrutinise, monitor and review the overall operation of the Cardiff Programme for Improvement and the effectiveness of the general implementation of the Council's policies, aims and objectives", and also to: "scrutinise, monitor and review the effectiveness of the Council's systems of financial control and administration and use of human resources."
3. This Committee has shown great interest in the Council's Programme of Organisational Development during the 2014/15 Municipal Year. The Programme is cited as the vehicle for the Council to transform service delivery in a customer-focussed way that meets the scale of the financial challenge facing the Council at present and for the foreseeable future.

Issues

4. Various Council directorates are currently developing proposals for alternative delivery of Council services, to meet the financial and service pressures facing the organisation. A growing range of options is available to meet the specific needs of a service to deliver more for less, and to benefit from the unique advantages that can be delivered by that option. These options include modifying the existing in-house service, developing Council-owned trading companies, entering into joint ventures with other public bodies, and outsourcing to the private sector.
5. It is considered important that decisions on the recommended model of delivery for a Council service are taken in an appropriate, consistent and evidence-led manner, to ensure their optimal efficiency and sustainability. Officers within the Council's Commissioning and Procurement Team have therefore been working with colleagues to develop an Evaluation Methodology that will guide practice and ensure accountability for recommended decisions, many of which will be reported through the Programme for Organisational Development. The Methodology has been independently assessed by Local Partnerships as being 'appropriate and robust' and is currently being piloted within Infrastructure Services before a scheduled roll out across the Council.

Scope of Scrutiny

6. Attached at **Appendix 1**, Members will find a short document setting out, in presentation style, information about the emerging Evaluation Methodology. The Structure of the presentation is as follows:
 - a. Slides 4 – 9 set the context to the Methodology, including its origins and phases; its purpose; the evaluation criteria.
 - b. Slides 11 to 13 detail the Model Scores for the five shortlisted Infrastructure Services Delivery Models –Appendix 2b (Consensus Model Scores) sets out the scores and reasoning.

- c. Slides 15 to 16 explain how a criteria weighting system can be applied to the appraisal, and early work that has taken place to pilot this. These slides will be used to explain the Weighting Matrix that will be circulated with this report.
- d. Slides 18 to 19 illustrate the whole approach in two worked examples.
- e. Slides 21 to 22 sets out the Union Engagement and Next Steps.

The final slide seeks Scrutiny Members comments.

Way Forward

- 7. At the meeting, Councillor Graham Hinchey, Cabinet Member Corporate Resources and Performance will attend to consider Members' feedback and observations on the draft Evaluation Methodology. Also in attendance will be Christine Salter, Corporate Director Resources, and John Paxton, Strategy and Development Manager, to present the evaluation methodology and facilitate Member questions. They will also use **Appendices 2 & 3** to explain the Methodology.
- 8. Members are requested to probe and test the methodology by questioning around the presentation delivered to provide their feedback to the Cabinet Member and officers to inform a draft Cabinet report to be produced in the summer.

Legal Implications

- 9. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council

must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

10. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

Recommendation

The Committee is recommended to note the content of this report, **Appendix 1** and the information provided at the meeting, and provide feedback to the Cabinet to inform their consideration of the methodology at the July 2015 meeting.

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25 May 2015