

Delivering Differently – Future Service Delivery of Operational Services

Report by Executive Head - Environmental Services

Cabinet Lead: Councillor Tony Briggs

1.0 Purpose of Report

1.1 In order to achieve further reductions in service budgets, the future delivery of Operational Services may have to be delivered differently in the future, and various options in the detailed report were considered by Cabinet on 20th May 2015, which is attached at Appendix A, B and C.

2.0 Recommendation

2.1 Scrutiny Board to consider the options set out in the report and report back to Cabinet.

3.0 Summary

3.1 In 2009 the Council considered options for service delivery; in-house, outsource with PCC or outsource as part of the HLOWLA 7-Authority project and decided to retain an in-house service whilst delivering efficiency savings. Subsequently, savings of £490K were made in 2011/12, and a further £250K of savings from service efficiencies in the following two financial years, 2012/13 and 2013/14.

3.2 In July 2014 the Cabinet Lead asked that officers do further work in understanding the costs of all the services within scope to enable us to assess whether the Council can deliver these services at better value either by:

- retaining 'in-house' operations and achieving further efficiencies / increasing income to offset costs e.g. beach huts, vehicle workshop, grass cutting:

- ‘outsourcing’ all or part of the services as a single or number of contracts - refuse / recycling; street cleansing (incl. WC’s); grounds maintenance; & cemeteries.
- transferring responsibility to the community of elements of the service e.g. allotments, sports pitches, roundabouts, play sites, nature reserves; or
- alternative business models for one or more activities.

3.3 In line with business plans (2014/15 and 2015/16) various options for future delivery of operational services have been considered in relation to:

- Refuse and Recycling
- Street cleansing, including public conveniences
- Open spaces maintenance including, highway verge cutting

Further associated services, detailed in 4.2 have also been considered within the scope of this report.

3.4 At its meeting on 20th May 2015, Cabinet agreed a report on the future delivery of Operational Services. Councillor Briggs presented a report setting out options for achieving further reductions in service budgets in the context of delivering Operational Services differently in the future.

Councillor Briggs outlined the significant work that had been done to date, both in delivering major savings within the current service and also in researching alternative models for delivering services going forward. Public consultations would commence shortly on the various options, to help identify the best option for both the Council and its customers and to inform decision making in due course

It was RESOLVED that:

- (i) Cabinet agree to the relevant officers researching in further detail option 2 (Outsource to a Private Contractor - PCC) and option 4 (Outsource to a Joint Venture Company - JVC) in order to inform decision making;
- (ii) Prior to a formal decision being made on these options at the next Cabinet meeting in June, a Public Consultation is undertaken, and these options are also considered by the Scrutiny Board on 2nd June 2015.
- (iii) To assist with this decision, a presentation from a JVC contractor is to be arranged for all Members on 2nd June.
- (iv) Officers continue to explore options for increasing the efficiency and driving down costs of the current in-house core services to ensure that Operational Services are fit for commissioning, taking on board issues within the Business Plan for 2015/16, which includes some items carried over from 2014/15.

- (v) That the officer recommendation in Appendix A be rejected in order to ensure all options remain open for public consultation.

An amendment to the table of advantages/disadvantages in relation to Option 4b as set out in Appendix A (page 76 in the agenda) was circulated and noted, removing references to 'no need for a fully detailed specification or OJEU process' and 'reduced technical client requirement'.

4.0 Subject of Report

4.1 The following options are considered within Appendix A:

Option 1- Service as-is

Option 2- Outsource to a Private Contractor

Option 3- Local Authority Partnership/Contracting Option

Option 4- Outsource to a JVC

(a) Public/Public

(b) Public/Private

4.2 The following services are within the scope of that report:

- Household Waste
- Garden Waste Collection
- Street Cleansing
- Public Convenience Cleansing
- Open Space Maintenance (incl. Beachlands)
- Allotments
- Beach Huts
- Cemeteries
- Vehicle Maintenance Workshop
- Engineering Works Team

5.0 Implications

5.1 **Resources:**

Resource implications will be calculated once options are recommended.

5.2 **Legal:**

The legal implications for Havant Borough Council are set out in the report.

5.3 **Strategy:**

The proposal set out in the 'Future Service Delivery of Operational Services' report underpins the financial sustainability priority theme as set out in the Corporate Strategy. It also supports the theme of customer service excellence. The proposed options will generate savings for Havant Borough Council without reducing the quality of service that is currently provided to the customer.

5.4 Risks:

There are a number of factors which will be affected and could therefore pose risks to HBC. The risks and associated mitigations are contained within the Risk Register (Appendix C)

5.6 Communications:

A Communications Plan will be devised once approval is given, and a Public Consultation undertaken prior to the Cabinet meeting on 24th June 2015.

Appendices:

A – Delivering Differently Report

B - Service Costs

C –Risk Register

Agreed and signed off by:

Legal Services: (11.05.15)

Executive Head of Governance & Logistics: (11.05.15)

Relevant Executive Head: (11.05.15)

Portfolio Holder (11.05.15)

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