

Option 1- In House

SWOT ANALYSIS

S	Strengths <ul style="list-style-type: none">• Control of decision making by HBC• Quick response to local issues• In depth local knowledge• Public sector expertise• Changes to service specification at minimal cost• Local authority partnerships/networking• Good union relations• Flexible work force• High quality service• Community trust/reputation• Passion for local initiatives	W	Weaknesses <ul style="list-style-type: none">• Limited Commercial acumen• Financial constraints• Lack of focus on new opportunities• High levels of sickness absence• Support Service costs• Limitations on income• Complacency• Process driven,• Risk averse
O	Opportunities <ul style="list-style-type: none">• Collaborate with other councils i.e. joint procurement• Potential for improved services• Development of existing services i.e. Beach huts/garden waste/ Vehicle Maintenance workshop• Creation of new services i.e. /trade waste	T	Threats <ul style="list-style-type: none">• The need for year on year financial savings• Savings may not materialise• Redundancies• Continuing pressure on council budget• Not progressing/Moving forward

Option 2- Outsource to Private Contractor

SWOT ANALYSIS

S	Strengths <ul style="list-style-type: none"> • EU Procurement Regulations compliant. • Open and transparent approach to procurement. • All of the market approached. • No reliance on winning private work. • Agreed specification from start. • Potential for reduced HR and Payroll. • Control of decision making by HBC. • Commercial acumen from private contractor. • Competitive Dialogue route to the procurement, resulting in bespoke service. • Potential gain/pain sharing. 	W	Weaknesses <ul style="list-style-type: none"> • Long expensive procurement process. • Parties understanding of specification • Any specification changes may cost - e.g. compensation if work cut. • Potential gain/pain sharing. • If open book contract – heavy on administration for client, and potential poor outcomes. • Employee protection maybe only guaranteed for minimum period under TUPE, relocated etc. • Limited investment • Produce detailed specification documents – Will be expensive and time consuming. • Will have to create a new Technical Client team • Will still have some residual central overheads
O	Opportunities <ul style="list-style-type: none"> • Potential 11% savings delivered through tendering to the private sector (CBI). • Collaborate with other councils • Include the ability to trade commercially in partnership with contractor. • Cost savings realised. • Potential Improved Service. • Playing to strengths. • Potential Staff development. • Focus on technology. • Commit to providing more apprentices helping objectives relating to NEETS. (Include Community Benefits) • Staff training – staff training and development part of contract. • Investment. 	T	Threats <ul style="list-style-type: none"> • Not in place in time. For 2016/17 • Pensions. • Trade Unions. • Savings may not materialise in current market. • Potential Redundancies. • Contractor may claim for every change to agreed contract however minor. • No interest from market • Challenges on procurement decision.

Option 3- Local Authority Partnership/Private Contractor

SWOT ANALYSIS

<p>S</p> <p>Strengths</p> <ul style="list-style-type: none"> • EU Procurement Regulations compliant. • Open and transparent approach to procurement. • All of the market approached. • No reliance on winning private work. • Agreed specification from start. • Potential for reduced HR and Payroll. • Control of decision making by HBC. • Commercial acumen from private contractor. • Competitive Dialogue route to the procurement, resulting in bespoke service. • Potential gain/pain sharing. 	<p>W</p> <p>Weaknesses</p> <ul style="list-style-type: none"> • Long expensive procurement process. • Parties understanding of specification • Any specification changes may cost - e.g. compensation if work cut. • Potential gain/pain sharing. • If open book contract – heavy on administration for client, and potential poor outcomes. • Employee protection maybe only guaranteed for minimum period under TUPE, relocated etc. • Limited investment • Produce detailed specification documents – Will be expensive and time consuming. • Will still have some residual central overheads
<p>O</p> <p>Opportunities</p> <ul style="list-style-type: none"> • Potential 11% savings delivered through tendering to the private sector (CBI). • Include the ability to trade commercially in partnership with contractor. • Cost savings realised. • Potential Improved Service. • Playing to strengths. • Potential Staff development.. • Staff training – staff training and development part of contract. • Investment. • Shared client team 	<p>T</p> <p>Threats</p> <ul style="list-style-type: none"> • Not in place in time. For 2016/17 • Pensions. • Trade Unions. • Savings may not materialise in current market. • Potential Redundancies. • Contractor may claim for every change to agreed contract however minor. • Political Challenges • No interest from market • Challenges on procurement decision.

Option 4a- Joint Venture - Public / Public SWOT ANALYSIS

<p>S Strengths</p> <ul style="list-style-type: none"> • Six months turnaround. • No Procurement – Does not breach EU Procurement Regulations (Teckal). • Profit Split 50/50 • Profit share based on a guaranteed discount, discount set at the beginning of each financial year. • Due to 80% share Norse and 20% share HBC and guaranteed discount means no corporation tax liability to the Council • Norse Group takes all the commercial risk. • Havant Borough Council represented on Board of JVC (3 Norse and 2 HBC) • Financial transparency and greater control due to HBC representation on Board. • Thin Client – so savings on HR, Payroll, Contact Centre etc. • Ability to trade commercially. • Public Service ethos and Commercial Flair. • Shared vision and objectives due to make up of Board. • 10 year contract offering long term stability and security. • 12 month termination clause. • Investment. • Employee protection – TUPE T&Cs for whole of contract period. • Norse has national agreements with GMB, Unite, UCATT and Unison. • Norse has established 22 JVCs since 2002. • Partly owned by HBC so limited number of contract managers required. • "Norse Commercial" advertises brand and bid for external contracts – JVC carry out external contracts for a management fee and all of the profits. • Will purchase existing equipment for nominal price and replace with likewise at end of contract. • Council get 100% of budget reductions 	<p>W Weaknesses</p> <ul style="list-style-type: none"> • 12 month termination clause could be used by Norse, and also the Council • Redundancies. • Norse 3 to 2 on Board • Norse 80% shareholder. • Discount set at the beginning of each financial year so could dictate approach. – by Council – • Will still have residual central overheads
<p>O Opportunities</p> <ul style="list-style-type: none"> • Win external contracts. • Cost savings and profit share realised. • New Brand – use marketing and sales to achieve fresh business. • Other local Authorities join JVC more savings due to Economies of Scale. • Average 11% frontline savings across all of Norse's other JVCs. • Improved Service. • Playing to strengths. • Staff development. • Focus on technology. • Committed to providing more apprentices helping objectives relating to NEETS. • Staff training – staff training and development among Norse's top priorities. • Develop current facilities – Workshop Garage • Develop associated business – Trade Waste, Trade Waste Recycling, MRF recycling facilities - new items 	<p>T Threats</p> <ul style="list-style-type: none"> • Pensions "Pass through" • Trade Unions/buy in • May not win external contracts initially • Existing private market may come to see Norse JVCs as a threat and compete harder in the market. • Savings may not materialise.

Option 4b – Joint Venture - Private / Public

S	Strengths <ul style="list-style-type: none"> • EU Procurement Regulations compliant. • Open and transparent approach to procurement. • Wider market approached. • Agreed specification from start. • Potential for reduced HR and Payroll. • Control of decision making by HBC. • Commercial acumen from private contractor. • Competitive Dialogue route to the procurement, resulting in bespoke service. • Potential gain/pain sharing. 	W	Weaknesses <ul style="list-style-type: none"> • Longer expensive procurement process. • Parties understanding of specification • Any specification changes will cost e.g. compensation if work cut. • Potential gain/pain sharing. • If open book contract – heavy on administration for client, and potential poor outcomes. • Employee protection maybe only guaranteed for minimum period under TUPE, relocated etc. • Limited investment • Produce specification documents – Limited information available at present • Will have to create a new Technical Client team • Will still have some residual central overheads
O	Opportunities <ul style="list-style-type: none"> • Potential 11% savings • Collaborate with other councils • Include the ability to trade commercially in partnership with contractor. • Cost savings realised. • Potential Improved Service. • Playing to strengths. • Potential Staff development. • Focus on technology. • Commit to providing more apprentices helping objectives relating to NEETS. (Include Community Benefits) • Staff training – staff training and development part of contract. • Investment – develop facilities & business, e.g. Garage, Trade Waste, MRF etc 	T	Threats <ul style="list-style-type: none"> • Not in place in time for 2016/17 • Pensions. • Trade Unions. • Savings may not materialise in current market. • Potential Redundancies. • Contractor may claim for every change to agreed contract however minor. • No interest from market • Challenges on procurement decision.