

TRAFFORD COUNCIL

Report to: Executive
Date: 15 July 2019
Report for: Decision
Report of: Executive Member for Environment, Air Quality and Climate Change

Report Title

**Highways, Transportation, Environment and Consultancy Services (HTEC20)
Options Appraisal Viability**

Summary

This Part 1 report outlines the approach to the consideration of the three options identified by Overview and Scrutiny Committee and the development of the assessment criteria upon which a range of delivery options has been appraised

Recommendations

The Executive are recommended to:

1. Note the options appraisal undertaken to date;
2. Approve the assessment criteria as set out in the Part 2 report;
3. Approve the recommended next steps as set out in the Part 2 report;
4. Delegate authority to the Corporate Director for Place, in consultation with the Corporate Director for Finance and Systems and the Corporate Director for Governance and Community Strategy to take the necessary steps to implement the recommended next steps;
5. Request that a further report be brought back to the Executive in Autumn 2019.

Contact person for access to background papers and further information:

Name: Richard Roe
Extension: 4265

Background Papers: None.

This report has been prepared in the light of:

- Report of Overview and Scrutiny Committee February 2019
- Report of Executive February 2019
- Advice notes provided by the Council's external solicitors. Such notes are subject to legal professional privilege and as such are exempt.

Relationship to Policy Framework/Corporate Priorities	Successful and Thriving Places Pride in our Area Green and Connected
Relationship to GM Policy or Strategy Framework	No
Financial	Financial risks and affordability are a key element in the options appraisal. The criteria are outlined in Part 2 of this report.
Legal Implications:	The information contained in the associated Part 2 report is subject to legal professional privilege and therefore should not be divulged to any third party without the express prior written approval of the Council's Monitoring officer. Disclosure could seriously compromise the Council's position in relation to this matter.
Equality/Diversity Implications	All Implications will be considered at the point when future service delivery models are determined
Sustainability Implications	Services take account of sustainability requirements in their day to day delivery and in policy and strategy, it is also considered
Resource Implications e.g. Staffing / ICT / Assets	There will be substantial financial and other resource implications for the Council in determining future service delivery models which are discussed in detail in the appendix to this report.
Risk Management Implications	Risk management will be a critical aspect of the Council's consideration in this Options Appraisal
Health & Wellbeing Implications	None
Health and Safety Implications	Services take account of health and safety requirements in their day to day delivery

1.0 Background

- 1 In February 2019, a report produced by the Council's Overview and Scrutiny Committee Task and Finish Group (O&SC Report) was considered by the Executive. The OSC report requested that the Executive conduct an assessment of the viability of the following three options;
- (1) *Consider alternative models of service delivery, including the development of an In-House Service model, with a view to ending the contract with Amey.*
 - (2) *Review the contract with Amey with a clear intent that there should be a wholesale reshaping of the contract and partnership between Amey and the Council.*
 - (3) *Continue the Amey Contract and seek significant improvements to the delivery of existing services".*

- 2 Accordingly, the Council have engaged Addleshaw Goddard LLP (who advised on the drafting and negotiation of the original 2015 Contract) to conduct an appraisal of these options, in conjunction with Council officers.
- 3 In relation to option 1, the appraisal applied a working assumption that going forward the services will be configured as four service blocks as follows;
 - (1) Waste Collection;
 - (2) Street Cleansing & Grounds Maintenance;
 - (3) Highways & Street Lighting Maintenance; and
 - (4) Professional & Technical Services.
- 4 The options appraisal is envisaged as a two-stage process and this note summarises only the outcome of the first stage (Viability Stage), using market knowledge, benchmarks and known investment requirements to complete the initial appraisal (as described in the Methodology section in Appendix A). Given the high number of different delivery options identified, each of those delivery options has only been subjected to a qualitative assessment.

Quality and Affordability Criteria

- 11 Each delivery option has been assessed against separate Quality Criteria and Affordability Criteria, as described in Part 2 of this report, which because of its content is exempt from publication. The affordability assessment was conducted broadly on a qualitative basis, with a more detailed assessment to follow (to a "business case" level) in relation to preferred options. The assessment assumes that the desired level of quality is for the Services to be provided to the level specified in the Contract.
- 12 More detail on the evaluation criteria against each of the options and the service blocks is contained in Appendix A.

Other Options

The Council is examining the viability of the three options for future service delivery and at this stage no other options are being considered. The option to do nothing is not under consideration for the reasons set out in Part 2 of this Options Appraisal report.

Consultation

Consultation has involved Leader, Deputy Leader, Executive Member for Environment, Air quality and Climate Change, CLT, Client Officers of One Trafford {Partnership, Amey officials and key change programme management colleagues within the Council.

Reasons for Recommendation

The recommendations set out on page 1 of this report reflect the progress made to date on the Options Appraisal viability as directed by the Executive in February 2019 following recommendations of the Council's Overview and Scrutiny Committee. There is much more due diligence and consideration to be carried out over the coming months before reporting further to the Executive in Autumn 2019.

Key Decision No

Exempt Information

By virtue of Paragraphs 5 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by The Local Government (Access to Information) (Variation) Order, the following information has been excluded from Part 1 of this report and included in Part 2 of the report:

1. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Finance Officer Clearance PC

Legal Officer Clearance JLF

CORPORATE DIRECTOR'S SIGNATURE



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.