

Cheltenham Borough Council
Cabinet – 6th December 2016
Shopmobility Commissioning

Accountable member	Flo Clucas, Cabinet Member Healthy Lifestyles
Accountable officer	Townscape Manager
Ward(s) affected	All
Key Decision	Yes
Executive summary	In September 2015, Cabinet resolved that the Shopmobility service be put to a commissioning process. This report summarises the results of early market engagement regarding the service and recommends moving to procurement.
Recommendations	<p>That Cabinet</p> <ol style="list-style-type: none"> 1. resolves to instigate the procurement of the Shopmobility Service; and 2. approves a contribution equal to the value of the net savings generated in year's 1 to 5 be made into the budget strategy (support) reserve.

Financial implications	<p>The 2016/17 net operational budget for the shop mobility service is £55,150. Section 2.2 to this report proposes that this saving, as reduced by any rental subsidy, will be phased over a period of 5 years. There would therefore be no financial impact on the council's budget until 2022/23, at which time an annual saving to the Medium Term Financial Strategy would be made.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 264125</p>
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Legal implications	<p>The outsourcing of a service places a duty on the Council to consult with various groups, by virtue of Section 3(2) of the Local Government Act 1999 and the Revised Best Value Statutory Guidance of March 2015 and Section 149 of the Equalities Act 2010. The Council needs to take into account the results of consultations in its decision making process.</p> <p>In carrying out any procurement, the Council will need to follow its own Contract Rules as well as taking into account EU principles of transparency, equal treatment and proportionality. For the purposes of the Procurement Regulations 2015, the procurement will be covered by the “light touch regime”. It will also need to advertise and produce an Invitation to Tender including a suitable Specification, appropriate Selection and Evaluation Criteria, draft Contract Terms and Conditions and draft terms and conditions for the occupancy of premises. Transfer of staff, any existing contracts and equipment use and ownership will also need to be dealt with.</p> <p>With regard to the grant of a lease, although the Council has a statutory obligation to obtain the best rent when granting leases of 7 years or more, this does not apply to leases of less than 7 years (although the Council still has a general obligation to act reasonably and prudently). The offer of accommodation may increase the range of available bidders.</p> <p>Contact officer: Steve Isaac, steve.isaac@tewkesbury.gov.uk, 01684 272064</p>
HR implications (including learning and organisational development)	<p>If a procurement exercise is authorised by Cabinet and subsequently a new provider of the Shopmobility Service appointed, there will be direct TUPE implications. The HR Business Partner will work closely with the service to ensure the required consultation process is followed, keeping the Trade Unions and employees fully informed.</p> <p>Contact officer: Carmel Togher, HR Business Partner</p> <p>Email: carmel.togher@cheltenham.gov.uk</p> <p>Tel: 01242 775215</p>
Key risks	<p>R001 Any risks associated with Community Impact.</p> <p>R003 Financially disadvantaged groups may be affected if unable to access Shopmobility.</p> <p>R005 If the likely or actual effects of proposed changes in the service on persons who share protected characteristics are detrimental, then the Council will be in potential breach of its Public Sector Equalities Duty contained in Section 149 of the Equality Act 2010.</p> <p>R006 Should the service be closed then redundancy situation would apply for those staff unless they were able to be redeployed. There may be redundancy and pension liabilities.</p> <p>R007 There may be synergies between the service and other organisations in the town.</p>

Corporate and community plan Implications	<p>The report contributes to the following Corporate Outcomes and Priority Action:</p> <ul style="list-style-type: none"> • Sustain and grow Cheltenham's economic and cultural vitality • People live in strong, safe and healthy communities particularly <ul style="list-style-type: none"> ○ COM 10 - Commissioning review of Shopmobility • Our council can continue to facilitate the delivery of our outcomes for both Cheltenham and its residents
Environmental and climate change implications	No direct impacts.
Property/Asset Implications	<p>As CBC currently provides the shop mobility service no rental income is received. The proposed new arrangement presents an opportunity to negotiate and obtain a rent as part of the total offer made by prospective interested parties.</p> <p>The market rent for the property which based on current rents is £10,000-£12,000 pa.</p> <p>At present CBC is responsible for the property costs of repairs, utilities rates and insurance associated in running the Shopmobility service from the premises which amounts to £8,200 pa. The tenant will be liable and therefore responsible for these costs which therefore will be a cost saving to CBC.</p> <p>Contact officer: David Roberts@cheltenham.gov.uk</p>

1. Background

- 1.1 In September 2015 Cabinet considered a report on the future of Shopmobility, following receipt of notice to quit its then location in the Beechwood Arcade. The report included details of a consultation exercise into relocation options and the future of the service more generally. The results of the consultation exercise strongly supported continuation of a Shopmobility service in some form in the town.
- 1.2 Cabinet resolved to relocate the service to the Horse and Groom in St George's Place (undertaken in November 2015) and to commence a commissioning process in January 2016. Commissioning was considered to be the best way to secure, long-term, the provision of the Shopmobility service.
- 1.3 The commissioning process has been underway for some months now, commencing with workshops – both internal and with the community – to establish what form a commissioned Shopmobility should take. These were followed by two Early Market Engagement exercises. The first in June did not generate any interest. However, a second exercise in September produced a response from one interested party.

2. Reasons for recommendations

- 2.1** An idea was put forward through Early Market Engagement that businesses could locate their existing business to the Horse and Groom, allowing direct management of Shopmobility alongside their existing business. The participant suggested that premises rental could be significantly subsidised and that the Council's funding of Shopmobility is phased out incrementally over a five year period – to zero at year five. This joint use of subsidised premises could be offered to all participants in a procurement exercise.
- 2.2** It is considered that the response to the Early Market Engagement, though limited, is sufficient to warrant moving to a formal procurement process. In considering the parameters of any commissioned outcome, there are a number of points to consider
- a.** If successful, commissioning could lead to base net budget savings in the service of £55,150 annually at year 5, based on the 2016-17 budget.
 - b.** The existing rental income receivable in respect of the Horse and Groom building is £10,000 - £12,000 per annum. If a commission proposal includes a variation in rental, this would need to be set against the savings generated from the commissioned service.
 - c.** It is recommended that a contribution equal to the value of the net savings generated in year's 1 to 5 be made into the budget strategy (support) reserve, deferring the possible saving to the Medium Term Financial Strategy until 2022/23. It is recommended that this be used to review and support the arrangements for the provision of the service at this time, if necessary.
 - d.** A permanent commission is suggested. There will be an on-going client-role.
- 2.3** Since the relocation of Shopmobility, two exercises have been undertaken in order to assess the level of spend in the town by clients hiring Shopmobility equipment. It is estimated that the spend is about £100,000 per annum, supporting the economy of the town.

3. Alternative options considered

- 3.1** In considering options for the future of Shopmobility, there has been some discussion of whether Cheltenham BID might consider running the service. This is an option. However, Cheltenham BID is an independent limited company, albeit with Council representation on its board; any transfer to the BID would therefore need to be through the procurement process, which the BID is able to enter if interested.
- 3.2** The following other options have also been discussed:
- a.** discontinue the service altogether;
 - b.** continue as at present; or
 - c.** reduce the service

In the light of the September 2015 Cabinet decision to go down the commissioning route, these three options are considered premature pending the outcome of that process.

4. Consultation and feedback

- 4.1** In July 2015 a Scrutiny Task Group reported on its investigation of Shopmobility. Included in its report were recommendations that there should continue to be a Shopmobility service in the town and that the Council should produce a strategy to seek alternative providers for the service, once established in its new location.
- 4.2** In September 2015, Cabinet received a full report on consultation undertaken in summer 2015. In

summary:

- a. The consultation ran between 6th August and 1st September. It was directly mailed to all registered users of the Shopmobility Service; a range of local charities and interest groups; local branches of relevant national charities; local business groups; and private businesses involved in provision of mobility aids. It was publicised through a press release and covered in the Echo. A questionnaire was available on the Council's website and paper copies were available at Municipal Office's receptions and the Shopmobility office.
- b. 143 responses received by the closing date.
- c. On the issues pertinent to this report:
 - Continuity All but two respondents considered that there should continue to be a Shopmobility service in the town.
 - Delivery The Borough Council was considered the best placed organisation to run the Shopmobility Service. However, there was a reasonable degree of confidence in either a charity or community group leading the operation. There was little support for a private company leading; nor a "tourism organisation". There were few suggestions for other body's which might be involved – two respondents suggested a business organisation such as the Chamber of Commerce.

4.3 Two workshops were held in spring 2016 in the lead-up to the early market engagement. They included the then cabinet member (Rowena Hay), Shopmobility staff and other officers working on the project. One workshop included Shopmobility users and other interested parties. The purpose of the workshops was to consider how to take the commissioning forward and to consider the nature of the service required. In summary, it was considered that the service should maintain current standards as a minimum and enhance them where feasible; it was also considered that there should be some direct "marketing" to likely client groups such as NHS orthopaedic patients.

5. Performance management –monitoring and review

5.1 It is proposed that the procurement exercise should identify a preference for a light-touch 5-year client role in order to ensure strategic Borough Council objectives. This could also provide a monitoring function, with an annual report to Cabinet.

Report author	Contact officer: Wilf Tomaney, wilf.tomaney@cheltenham.gov.uk, 01242 264145
Appendices	1. Risk Assessment 2. Community Impact Assessment
Background information	1. Cabinet Report 14 th July 2015 "Recommendations from the Scrutiny Task Group – Shopmobility" https://democracy.cheltenham.gov.uk/ieListDocuments.aspx?CId=166&MId=2271&Ver=4 2. Cabinet Report 15 th September 2015 "Shopmobility – Future Delivery" https://democracy.cheltenham.gov.uk/ieListDocuments.aspx?CId=166&MId=2425&Ver=4

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
R001	Any risks associated with Community Impact.	WT	01/06/16	5	3	15	Reduce	Undertake Community Impact Assessments against preferred delivery models. Community Impact Assessment undertaken on market engagement response.		WT	
R003	Financially disadvantaged groups may be affected if unable to access Shopmobility.	WT	02/07/15	4	3	12	Reduce	Service pricing structure to be reviewed as part of commissioning review. Fee strategy to be included in tender specifications.		WT	
R005	If the likely or actual effects of proposed changes in the service on persons who share protected characteristics are detrimental, then the Council will be in potential breach of its Public Sector Equalities Duty contained in Section 149 of the Equality Act 2010.	WT	14/07/15	5	2	10	Reduce	Undertake Community Impact Assessments against preferred delivery models as part of the commissioning review. Community Impact Assessment undertaken on market engagement response.		WT	
R006	Should the service be closed then redundancy situation would apply for those staff unless they were able to be	WT	14/07/15	2	2	4	Reduce	Commissioning review to factor TUPE regulations when selecting service delivery options.		WT	

	redeployed. There may be redundancy and pension liabilities.										
R007	There may be synergies between the service and other organisations in the town.	WT	03/09/15	1	4	4	Accept	<p>To be considered as part of the commissioning review.</p> <p>The Cheltenham Trust were approached to gauge interest, unfortunately service did not offer a sound business case for the Trust.</p> <p>Cheltenham BID to be contacted to see if any partnership opportunities exist.</p>		WT	
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

What is a community impact assessment?

A community impact assessment is an important part of our commitment to delivering better services for our communities. The form will help us find out what impact or consequences our functions, policies, procedures and projects have on our communities, as well as employees and potential employees.

By undertaking an impact assessment, we are able to:

- Take into account the needs, experiences and circumstances of those groups of people who use (or don't / can't use) our services.
- Identify any inequalities people may experience.
- Think about the other ways in which we can deliver our services which will not lead to inequalities.
- Develop better policy-making, procedures and services.

Background

Name of service / policy / project and date	Shopmobility Commissioning Review
Lead officer	Wilf Tomaney
Other people involved in completing this form	Sanjay Mistry Claire Cook

Step 1 - About the service / policy / project

What is the aim of the service / policy / project and what outcomes is it contributing to	<p>The project has the following priority action: COM 10 – Commissioning review of Shopmobility</p> <p>The objectives of the Project are to:</p> <ul style="list-style-type: none"> • Identify and evaluate options for future Shopmobility service delivery • Provide a recommendation as to a preferred delivery model • Implementation of the preferred delivery model • Ensure that the change process is managed effectively • Delivery of an effective communication strategy to support the change process <p>The project contributes to the following corporate outcomes:</p>
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	<ul style="list-style-type: none"> • Sustain and grow Cheltenham's economic and cultural vitality • People live in strong, safe and healthy communities • Transform our council so it can continue to enable delivery our outcomes for Cheltenham and its residents
Who are the primary customers of the service / policy / project and how do they / will they benefit	The primary customers of the Shopmobility service are the residents residing in the borough of Cheltenham and visitors with mobility difficulties.
How and where is the service / policy / project implemented	The service is currently delivered from 30 St Georges Place, Cheltenham. It is delivered by Cheltenham Borough Council.
What potential barriers might already exist to achieving these outcomes	<ul style="list-style-type: none"> • The Council's budgetary constraints. • Falling patronage • No strategic direction or expertise

Step 2 – What do you know already about your existing / potential customers

What existing information and data do you have about your existing / potential customers e.g. Statistics, customer feedback, performance information	<ul style="list-style-type: none"> • Declining use year on year. • Three year analysis of users shows registration address as follows <ul style="list-style-type: none"> • 28% Cheltenham • 39% rest of Gloucestershire • 33% outside Gloucestershire • Regular users tend to be Cheltenham based; one-time users largest proportion is from out of County; moderate users, largest proportion from rest of Glos. • Usage appears low compared to similar towns/cities (notably Worcester and Gloucester – anecdotal). • Comparative costs to clients are difficult to assess because of the variety of payment methods across the various providers nationally. A number of services are free to customers. Cheltenham looks to be on the high side of the norm for services which charge. • O&S Shopmobility Task Group, Cheltenham Chamber of Commerce and Cheltenham Business Partnership want to see a continued service in the town. • The service receives positive responses for customers
What does it tell you about who uses your service / policy and those that don't?	<ul style="list-style-type: none"> • There is a small core of regular users who are very frequent users. • Users are roughly even split in terms of the three divisions used for analysis of the registration address. This suggests some value to tourism and to the town centre economy. • Primary users are people with a mobility disability, usually (but not exclusively) those without access to their own equipment. Many are late middle-age or elderly, though again, not exclusively.
What have you learnt about real barriers to your service from any consultation with customers and	Consultation shows significant support for the continuation of the service. There is some support for increased fees to help the service survive.

any stakeholder groups?	There is a preference evident through consultation for continued provision of the service by CBC, however, a recognition that it could be provided by charities or the community.
If not, who do you have plans to consult with about the service / policy / project?	N/A

Step 3 - Assessing community impact

How does your service / policy / project impact on different groups in the community?

Group	What are you already doing to benefit this group	What are you doing that might disadvantage this group	What could you do differently to benefit this group	No impact on this group
People from black and minority ethnic groups				✓
Gender				✓
Gender Reassignment				✓
Older people / children and young people	Older people are a majority user of the service.	Service closure is likely to impact on accessibility to town centre for shopping, leisure and social contact.	Help to ensure future provision is located within the town.	
People with disabilities and mental health challenges	Primary user base.	Service closure is likely to impact on accessibility to town centre for shopping, leisure and social contact.	Help to ensure future provision is located within the town.	
Religion or belief				✓
Lesbian, Gay and Bi-sexual people				✓
Marriage and Civil Partnership				✓
Pregnancy & Maternity	Potential user of the service, but not a major target.		Help to ensure future provision is located within the town.	

Other groups or communities				✓
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Step 4 - what are the differences

Are any groups affected in different ways to others as a result of the service / policy / project?	Financially disadvantaged groups may be affected if unable to access Shopmobility. Users of public transport may be disadvantaged if Shopmobility is required to move away from town centre.
Does your service / policy / project either directly or indirectly discriminate?	No
If yes, what can be done to improve this?	N/A
Are there any other ways in which the service / project can help support priority communities in Cheltenham?	Any potential synergies between the service and other organisations in the town have been considered as part of the commissioning process.

Step 5 – taking things forward

What are the key actions to be carried out and how will they be resourced and monitored?	The primary key action is to undertake a procurement exercise to secure a service provider to take on the management and delivery of the Shopmobility service. The exercise will be resourced with officers from CBC, GOSS and One Legal.
Who will play a role in the decision-making process?	Cllr Flo Clucas and the Cabinet. CBC
What are your / the project's learning and development needs?	
How will you capture these actions in your service / project planning?	A dedicated project manager will utilise PRINCE2 based methodology to capture and manage project actions and overall time management.