



SUBJECT:	MONLIFE - UPDATE
MEETING:	COUNCIL
DATE:	11th April 2019

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

1.1 To advise Council that the preferred model for ongoing delivery of Tourism, Culture, Leisure and Youth Services is an in-house model with commitment to a fundamental programme of renewal and transformation.

2. RECOMMENDATIONS

2.1 Council agrees not to progress with externalising Tourism, Culture, Leisure and Youth Services but to retain services in-house with a commitment to a fundamental programme of renewal and transformation.

2.2 Council recognises a requirement for a wide ranging policy review process to be conducted to create an operating environment that optimises the MonLife service group capability of moving to a sustainable model for delivery. This work to be concluded by the Cabinet Member with portfolio by the summer of 2019.

2.3 Council agrees to adopt the Ealing ruling and treat our VAT on sporting facilities as exempt.

2.4 To acknowledge the Cabinet Members intention to establish an external Advisory Board working with him to continue to bring fresh insight to the service area. Existing members of the shadow board established to take MonLife forward will be invited to join this Advisory Board to continue their valuable engagement with the service area where they wish to do so.

2.5 To recognise that the Chief Executive will be giving consideration to senior officer reporting arrangements to ensure that the service group has heightened exposure to and involvement in whole organisation decision-making.

2.6 To be aware of the Cabinet Members intention to commission work to develop a multi-year capital investment strategy for the service group for future consideration by Council.

3. KEY ISSUES:

- 3.1 In March 2017, [Council](#) agreed to progress both an Alternative Delivery Model (ADM) and 'Transform in House' model to determine the best approach for services. The proposed services being delivered within the ADM branded as MonLife included Leisure, Outdoor Education, Youth Service, TIC Chepstow, Attractions, Museums, Countryside, Green Infrastructure, Strategic Tourism and Play.
- 3.2 In January 2018, Cabinet approved the Full Business Case, Business Plan and associated reports to inform the establishment of a new entity - MonLife. Cabinet also agreed to receive a fully developed initial five-year Management Agreement, inclusive of a complete Evaluation Matrix and a detailed Governance Framework - to be considered at a meeting of Full Council prior to enactment of the ADM.
- 3.3 Subsequently, at Council in February 2018, Council approved that £155,000 be drawn from the priority investment reserve to fund 'start-up activity for the ADM and recognised provisions that were required within the medium term financial plan.
- 3.4 In June 2018, [Cabinet](#) approved the process stages required, ahead of a final decision to enact the MonLife company. This included the recruitment of a Shadow Company Board. Shadow structures were to remain internal advisory bodies until such time as the final Council decision was taken.
- 3.5 In July 2018, [Council](#) approved the proposed Governance arrangements for the Mon Life group of companies, to include a Charity and Teckal (MCC owned) with trading subsidiaries, in order to initiate the shadow recruitment process of Company Directors. These actions were prior to the then proposed final Council consideration in October 2018 originally scheduled to endorse the transfer documentation and the fully developed five year management and funding agreements and subsequently to enact company operation in December 2018.
- 3.6 Whilst Council Officers have been assessing the case for change for many months, in January 2019, the Council appointed legal advisors, Bevan Brittan to provide an analysis of the legal implications for MCC of the future provision of services via the proposed alternative delivery model – MonLife, an appraisal of MonLife's draft Grant Agreement and the draft Service Agreement for MonLife Plus (Teckal) and the Support Services Agreements between MCC and MonLife; a risk analysis of the proposed commercial opportunities contained within the business case with respect to the potential implications for the Council; along with employment and pension implications and legal support and assistance for the in-house team in the negotiation of commercial positions in the interests of MCC when required.

3.7 In tandem to the above, Council Officers undertook a detailed financial analysis of the business benefits of moving the services to the ADM model.

3.8 To aid the analysis, success criteria were drawn in line with Council priorities against which any future delivery model for MonLife services were assessed. This analysis is detailed in Table One below:

Table One: Success Criteria

Council Priority	Success Criteria
Supporting an active and healthy Monmouthshire and a healthy lifestyle	The Council is facing significant challenges with an ageing population, increasing levels of obesity and inactivity, all of which are increasing the financial and demands on both Education and Social Services. The value of a positive first 1,000 days of a child's life has significant correlation between achievement and intervention levels in later life. Physical inactivity is the fourth leading cause of ill health in the UK and spending on the NHS is recorded at £1,000 per second on dealing with preventable ill health.
Access to Services	The Council has recognised that access to local services is one of its priorities however it also understands that under the current financial environment, delivery of these services is becoming more challenging.
Well being	These services are the dominant providers of a whole range of community culture, sports and leisure facilities, from outdoor education, youth, museums and attractions, tourism, country parks to rights of way. Increasingly these services are seeking to achieve wider objectives and prevention of ill health, social isolation and mental health issues and focusing on the wellbeing of their local community.
Affordability & Improved financial performance	<ul style="list-style-type: none">• In response to continued central government dis-investment in the public sector, local authority services need to be delivered with reduced financial resources;• Increased flexibility and agility;• Freedom to market and trade services; and• Access to funding and tax efficiencies currently outside the scope of the Council; and offering higher levels of engagement and achieve economies through collaboration and partnership in line with the Wellbeing and Future Generations Act Wales.
Sustainability of service provision	Services need to be maintained into the future.
Increase flexibility and agility in responding to needs and change	Policies and procedures within the Council provide the services with the ability to deliver.
Improved quality	Improve services through innovation & a culture of enterprise.
Greater service efficiency	Introduce lean processes that reduce duplication of effort & increase use of technology & self-service, making it easier for residents to access services and obtain information and advice.
Increased productivity	Empower and motivate staff thus raising productivity.

4. OPTIONS APPRAISAL

4.1 The Appraisal in Table Two below provides a very high level summary of some of the main advantages of the ADM model set against some changes / mitigations that could be achieved if the services remain in-house. Although an initial options assessment was undertaken in March 2017, the financial, taxation and legal landscape has changed quite significantly since this time. A mix of financial and non-financial criteria have been re-assessed based on the success criteria detailed in Table One above.

Table Two: Options Appraisal

ADM Model – advantage	Transform In House - mitigation
Financial: <ul style="list-style-type: none"> • NNDR benefits to the Council; • Gift Aid benefits to MonLife. • Charitable status opens up funding streams currently inaccessible to public sector however HLF and other funding streams are becoming more difficult to obtain. 	<ul style="list-style-type: none"> • NNDR benefits lost; but for how long? • Successor to EU funds, UK Shared Prosperity Fund, likely to offer up new opportunities; • Relative to the overall funding envelop these changes could be material but not fundamental. • Residual responsibility for a malfunction of business plan would still lie heavily with the Council.
Commerciality: <ul style="list-style-type: none"> • Trading Arms present opportunities to increase commercial income streams; • Commercial ethos amongst staff will enable an ability to be ‘fleet of foot’ and access new revenue opportunities quickly. 	<ul style="list-style-type: none"> • Retain MonLife Advisory Board commercial experience of Members will bring added benefit and a commercial flair to MonLife; • Suitable revision of Council policies can enable speedier decision making and commercial flexibilities. • The Commercial ethos of the Council and its staff has developed and continues to grow in strength. • Additional confidence through delivery of Monmouth Leisure Centre
Risk Appetite <ul style="list-style-type: none"> • The Council can have a tendency to be risk averse and decisions are highly scrutinised. 	<ul style="list-style-type: none"> • A commercial ethos will need to be developed to deliver, take calculated risks, and be responsive. • The Council is now an ‘investing Council’ and has the portfolio to evidence this assertion.

Staff	<ul style="list-style-type: none"> Local authority pay restrictions would not apply & this could result in staff incentive pay to drive performance. Greater freedom to act. 	<ul style="list-style-type: none"> Greater flexibility afforded to staff following relevant policy changes likely to boost staff morale and increase productivity; this will be a key condition of the new transform in house model; Residual concerns about changes to terms and conditions avoided.
Control	<ul style="list-style-type: none"> Moving to ADM would free MonLife from Council control giving license to set service delivery, direction etc within confines of an agreed Grant Management protocol. . 	<ul style="list-style-type: none"> Retention of services offers opportunities for business transformation and team building activities.

4.2 In addition to this analysis an assessment of the benefits, dis-benefits and risks of the two models has also been undertaken and is provided within Appendix C.

4.3 The proposed business plan for the MonLife ADM model (Appendix D) has been utilised as a part of this consideration alongside the draft management and contractual agreements.

5. REASONS:

5.1 The conclusions drawn from the various assessment activities undertaken are as follows:

- The financial case to move to an ADM offers only marginal benefits to the Council and is heavily reliant on NNDR savings. As part of a wider taxation reform agenda there is an increasing level of risk that this favourable taxation treatment for leisure trusts is removed. The gain is not substantial enough to justify the energy that will need to be invested to realise it.
- The proposals within the business plan for income generation and growth can largely be developed whilst within the Council and do not require a trust and teckal model to deliver sustainable services.
- Recent changes in accounting for VAT has resulted in a financial algorithm which favours a 'Transform in house' model rather than an ADM. If services are to be transformed in-house the Council will look to adopt the 'Ealing ruling' resulting in services involved in the provision of sporting facilities now being treated as exempt from VAT when previously they were standard rated. This will have a direct and immediate benefit and consequence to leisure revenue budgets (circa £250k per annum). The Authority will however have wider considerations to ensure it doesn't breach its VAT partial exemption threshold.
- The Council's reinvigorated transformation agenda with a renewed focus on commerciality, digital approach, data analysis etc. means that the Council is now in a much better place than in previous years to deliver the success criteria required in house, rather than externally;

- e) There is an opportunity for radical transformation within the Council setting which supported by a 5 year capital investment plan can continue to play a direct role in the continued delivery of services at a local and regional level. Early evidence from the re-provision of Monmouth Leisure Centre is compelling about the Council's ability to provide a commercial high quality offer if it is minded too.
- f) The Council and Public Service Board policy agenda continues to move towards health, activity and prevention. Introducing an organisation separation into this is not likely to be helpful to the Council moving forward. In addition, the Welsh Government's renewed intent to address the Well Being and Future Generations agenda means the Council is as well placed than an external company to control and influence social benefits etc.
- g) The Council's recent acquisition of the Newport Leisure Park along with the recent upgrade and consequent success of Monmouth Leisure Centre indicates that the Council is still keen to develop further opportunities and replication of success is achievable.
- h) It has become increasingly clear that Member's attachment to MonLife services is strong. Members clearly believe in the capacity for public service to transform itself as demonstrated by the number of best practice examples that exist within the organisation.
- i) Many of the MonLife services are delivered on shared schools sites, site relationships can be complex and therefore the proposed separation has remained an issue of concern.
- j) If the ADM were to progress, it is likely that the scope of services to transfer would alter. For example there is little support for the Youth offer to transfer. This shifts the measurement of critical mass.
- k) There is some evidence of instability in other similar trust models in Wales and this is a concern.
- l) Costs incurred to date have been beneficial in determining the options for the future sustainability of MonLife services. A decision now avoids unnecessary abortive costs.

6. EVALUATION CRITERIA

- 6.1 Whilst the conclusions drawn indicate that the ADM is no longer the preferred proposition for the Council, it is proposed that there are certain criteria attached to the 'Transform in House' model which will certainly need to be applied by the Council in order to optimise the opportunities for success as detailed in the success criteria above.
- 6.2 It is therefore proposed that MonLife will be delivered through a 'Transform in house' model and the following activities will be undertaken:
 - The MonLife brand will remain and internal conditions and policies will be reviewed in order to ensure MonLife services remain sustainable;
 - The Cabinet Member is open to the establishment of an Advisory Board to add perspective and momentum to the improvement journey and to recognise the contribution that MonLife Shadow Board members can continue to make.

- The Council's Medium Term Financial Plan will be developed to ensure that the MonLife services will attract a higher political priority than was the case three years ago;
- A multi-year capital investment strategy for the service will be developed.

7. RESOURCE IMPLICATIONS

- 7.1 Council Officers have been working with the shadow ADM team for an extended period to determine the financial benefits of moving to an ADM model. The case for change, purely on financial grounds, has always been marginal and in particular since the opportunity was granted to the Authority to treat income from sporting premises as VAT exempt.
- 7.2 TLCY had already been successful in optimising its income generation opportunities from its current service model in previous years and therefore the significant initial gains often seen from other successful Trust models was not present.
- 7.3 When Cabinet approved the Full Business Case and draft Business Plan in January 2018 the ADM option was costed at £21.440m over the 5 year period of the draft plan. This was the lower cost option at that time saving the authority £1.505m over the Transform in house option (£22.945m). These costs were however in excess of the budget allocations afforded to it by the existing service budget and such pressures were required to be factored into the MTFP and subsequent budget process.
- 7.4 The January 2018 report quoted the modelled costs for 2019/20 as being £4.601m for transform in-house and £4.271m for the ADM, a saving of £330k. However, The ADM option did not factor in the residual cost impact of support services with the first year impact seen as being £143k on the Council. Therefore the net saving to the Council in the first full year was seen as being £187k.
- 7.5 Furthermore a one-off budget was approved by Cabinet of £155k, funded from the Priority Investment reserve, to allow the establishment of the new entity and to fund the necessary due diligence and having regard to the requirements of both the Council and ADM.
- 7.6 The Council team has worked closely with the lead ADM Finance officer and the wider shadow ADM team to assess and 'stress test' the business plan. Various potential opportunities to impact positively on the business plan were explored but this only resulted in a small improvement in the business plan. An updated business plan was subsequently provided in November 2018 (Appendix D).
- 7.7 The updated business plan reports a cost to the Council for the ADM of £4.255m against a cost for transforming in-house of £4.672m, a saving of £416k. The saving is principally made up of £390k of savings factored into the 2019/20 final budget proposals:

- Business rate (NNDR) relief - £272k
- Donations and gift aid relief - £5k
- Charitable grants - £10k
- New and additional income streams - £44k
- Discretionary fee increases (e.g. gym memberships) - £59k

- 7.8 The remaining £26k savings were brought about by the further review of the business plan and concerned more optimistic assumptions around grants and donations. These were not factored into the 2019/20 budget proposals.
- 7.9 The budget proposals for 2019/20 also afforded TLCY services £404k of funded pressures beyond pay award and any removal of one-off pressures from the previous year. A decision to transform in-house will still afford services these same funded pressures.
- 7.10 The recommendation to transform in-house will see £287k of savings immediately fall away and principally business rate relief now not being available to the Council. However, such pressure on Council finances is offset by the residual impact on support services (£111k) and insurance consequences falling away (£15k), leaving a net pressure of £161k for 2019/20. However, a decision to adopt the Ealing VAT ruling will now result in a further benefit of circa £250k to the Authority as it is able to account for the gross receipt of all future leisure incomes.
- 7.11 It is anticipated that any net saving derived will be required to contribute towards:
- a) Any servicing of debt resulting from additional capital investment and to the extent they cannot be met additional income or reduced cost;
 - b) Any investment in key roles needed to sustain and grow services
- 7.12 Upon Council supporting a decision to transform services in-house, a multi-year investment programme and service delivery plan will provide further clarification on progress being made to deliver in-year savings together with any additional investment requirements. Policy commitments and the investment programme will need to give consideration to:
- a) Any need for investment in key roles and where there is a need for dedicated expertise
 - b) Ring-fenced capital maintenance budgets
 - c) Capital investment in existing or new sites in order to maintain or improve income generation opportunities, or to assist in rationalising services to be delivered at reduced cost
- 7.13 As referred to above adopting the Ealing VAT ruling income from sporting facilities will be exempt from VAT and will benefit the Authority's revenue

account. Separately on the capital account it is known that adopting the Ealing ruling on the one hand give the Council recourse to recover VAT from significant historic claims lodged with HMRC amounting to £1.2-£1.7m. However, on the other it will constrain us in terms of the Council's VAT partial exemption threshold being triggered and which could have significant consequences on the level of VAT payable by the Authority in a year of breach. Officers are receiving ongoing advice from the Authority's VAT accountant and appointed VAT consultants. Once the 5 year Capital Investment Programme is available the VAT consequences will be assessed and the Authority will then engage in discussion and negotiation with HMRC to optimise its VAT position and such as to not prohibit any planned capital investment requirements.

- 7.14 The reserve funded one-off costs of £155k have been spent securing the necessary advice to support the due diligence that has been undertaken and which have ultimately allowed the recommendations in this report to be forthcoming. Such costs should not be seen as abortive. As previously stated the costs incurred to date have been beneficial in determining the options for the future sustainability of MonLife services. Furthermore taking a decision at this point in the process has preventing significant further staff time and advisor costs being incurred, most notably legal costs. Efforts will instead be channelled into developing the transform in-house model.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):

The assessment demonstrates that the 'Transform in house' model will ensure valued local services are maintained and by their nature continue to provide employment, growth and an increasingly skilled workforce. The proposals will enable services to be kept open with stronger community focus and coordination. The positive engagement activities with communities, customers and staff will continue as well as a focus on income generation and investment in key aspects of the business to ensure the culture and business thrives. Incorporated services will contribute greatly to local culture, heritage and art with the promotion of activity, health and wellbeing forming part of its key drivers.

9. CONSULTEES

Audit Committee
Senior Leadership Team
Cabinet

10. BACKGROUND PAPERS

Appendix A: Evaluation Criteria
Appendix B: Future Generations Evaluation
Appendix C: Benefits, Dis-Benefits and Risks Paper

Appendix D: MonLife draft Business Plan

11. AUTHORS:

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Appendix A Council

Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions &

Title of Report:	MONLIFE – UPDATE
Date decision was made:	11 th April 2019
Report Author:	Frances Williams/Peter Davies

What will happen as a result of this decision being approved by Cabinet or Council?

As a result of this decision MonLife will revert to a 'Transform in house' model and:

- The MonLife brand will remain and internal conditions and policies will be changed in order to ensure MonLife services remain sustainable. A further paper will be put to Council in July detailing the proposed changes;
- The MonLife Shadow Board will become an Advisory Board working with Officers and Members to identify and drive commercial opportunities;
- The 2019/20 budget will not jeopardise transformation opportunities, financial commitments made will be honoured. The Council's Medium Term Financial Plan will be developed to ensure that the MonLife services will attract a much higher priority than would have been the case three years ago ;
- A five year investment programme for the service will be developed.

6 month appraisal

Was the desired outcome achieved? What has changed as a result of the decision? Have things improved overall as a result of the decision being taken?

What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

A future report will be brought to Council in July 2019 detailing the proposed changes for the Council based on the decisions approved above.

6 month appraisal

Paint a picture of what has happened since the decision was implemented. Give an overview of how you faired against the criteria. What worked well, what didn't work well. The reasons why you might not have achieved the desired level of outcome. Detail the positive outcomes as a direct result of the decision. If something didn't work, why didn't it work and how has that effected implementation.

What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?

The 2019/20 budget will not jeopardise transformation opportunities, financial commitments made will be honoured. The Council's Medium Term Financial Plan will be developed to ensure that the MonLife services will attract a much higher priority than would have been the case three years ago. Further details will follow.

6 month appraisal

*Give an overview of whether the decision was implemented within the budget set out in the report or whether the desired amount of savings was realised.
If not, give a brief overview of the reasons why and what the actual costs/savings were.*

Any other comments

Appendix B



Future Generations Evaluation (Includes Equalities and Sustainability)

Name of the Officer Cath Fallon	MonLife Update
Phone no: 07557 190969 E-mail: cathfallon@monmouthshire.gov.uk	
Name of Service: Enterprise including Tourism, Leisure, Culture and Youth	Date Future Generations Evaluation 25 th March 2019

NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc.

1. Does your proposal deliver any of the well-being goals below?

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	To ensure much valued local services are maintained and by their nature provide employment, growth and an increasingly skilled workforce.	Keeping services open and local but with more community focus and coordination – helping knit communities together. Positive engagement and coordination with community focused services.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
		<p>Income generation and investment in key aspects of the business will ensure the culture and business thrives and there is sustained growth moving forwards.</p> <p>Continue to invest and grow successful volunteering scheme.</p>
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	<p>Continue close working partnership with countryside and planning and ensuring green spaces and cultural heritage is supported.</p> <p>Management of greenspaces and property to maintain and enhance biodiversity and promote resilience.</p>	<p>'Transform in house' model will continue to develop partnerships and support landscape scale action, provide expert advice and seek to access new forms of funding to secure partnership action.</p>
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	<p>Positive impact by ensuring quality services are provided by offering events and opportunities to encourage a fit and healthy lifestyle through leisure, sport, outdoor education, countryside and cultural access.</p> <p>The revised offer will ensure that events and activities are also well signposted and the benefits of such activities demonstrated.</p>	<p>Working with key partners through the Public Service Board will ensure that physical and mental health through activity is widely available and that the service is central to this by working directly with its communities. The work inside Creating An Active and Healthy Monmouthshire Group connects to key acts such as Social Services Wales (Act) the Wellbeing Future Generations, Environment Act and also key strategies and drivers such as obesity including the Gwent Child Obesity Strategy, Get Wales Moving (replacing Climbing Higher), etc.</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
		Schools Sports Surveys will be undertaken biannually along with work across Active Gwent Sport Development/Youth Teams, cultural services, cycling and walking product, and exercise referral should all contribute to a positive impact.
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The 'Transform in house' model will ensure the sustainability and growth in these service areas. Staff will continue to engage with the community and connect with local priorities – leading to service improvements by continuing to understand what matters to customers and partners.	Community cohesion will continue to be a key social driver. An extensive customer survey on, 'what matters', has been undertaken across all our services where, 1,200 returns were obtained and further engagement activities have taken place since then with customers, staff and user groups.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Services will continue to ensure high standards are met and maintained that do not conflict with the global drivers.	Any decisions taken will take into account global and well-being issues as part of its day to day processes.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	Services will continue to contribute greatly to the local culture, heritage and art, this will include the promotion and protection of the Welsh language.	One of the key drivers of the service will be the promotion of activity, health, culture and art and key developments will reflect this. The ability to react to the current markets and trends will enable the service to position itself to meet the outcomes.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A more equal Wales People can fulfil their potential no matter what their background or circumstances	MonLife will continue to services for all age ranges and deliver a diverse and comprehensive package for all of its communities.	With the ability to better market and understand data there will be opportunities to target areas of the community that may not currently be aware of the offer. The ability to extend current work towards access to facilities and services can be rolled out consistently across all service areas.

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?	
 Long Term	Balancing short term need with long term and planning for the future	The proposed 5 year business plan will continue to ensure the services are focused on function and development.	Reducing budgets and savings have led to some service areas altering core hours of operation. There has been a concerted effort to assist by mobilising volunteers, making efficiencies and generating additional income to ensure negative impact of reducing budgets is mitigated.
 Collaboration	Working together with other partners to deliver objectives	The services have some key partners from funding, grants and delivery of service. Some key partners include other LA's, Public Health Wales, NRW, Sport & Art Wales, Visit Wales, Town & Community Council, Youth Offer partnership, Creating Active & Healthy Monmouthshire, Schools, Unions.	The next phase will include a full engagement program, scoping of commercial opportunities to move things forwards.

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Involvement <p>Involving those with an interest and seeking their views</p>	<p>There is an ongoing engagement program in place to ensure all the relevant people are consulted with. This includes all staff across Tourism, Leisure, Culture and Youth Service, Town and Community Councils, the Senior Leadership Team and all Council members within Monmouthshire.</p>	<p>The engagement process is constantly reviewed and evaluated to ensure the views of all those who have an interest are taken into account.</p> <p>Engagement is an ingoing continual process. A number of 'staff champions' have stepped forward to help with the process to communicate and support teams on the ground. An electronic newsletter is sent to all staff periodically when there is any further information or progress to share. There is also a central location on the Hub for staff to view relevant documentation and post views and opinions on the process. This ensures all staff are receiving a consistent message and the champions have something to share with teams and collect any feedback in necessary.</p> <p>It is anticipated that this will continue as the 'Transform in house' model is developed.</p>
 Prevention <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The business plans for each service have been developed with the site teams and managers. In the plans there are opportunities for growth and investment.</p> <p>If this is not done the services will be managing decline and income targets will not be maintained causing a downward spiral.</p>	<p>Staff are currently identifying key income pipelines for each area and how these can be developed and joined up within the new model moving forwards.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Integration	<p>Considering impact on all wellbeing goals together and on other bodies</p> <p>The opportunity to develop a new way of delivering services and sustaining their long term future should give the opportunity to better connect wellbeing outcomes to other partners and bodies. All the services being considered contribute to the wellbeing goals although some are more clearly defined than others. It is important that the services are able to clearly demonstrate and understand their input into the wellbeing goals – it is also important to consider the impact.</p>	<p>One of the key drivers will continue to be the promotion of activity, health, equality, culture and art and its structure and key developments will reflect that. All of this will be linked back to ensuring the key priorities of the Future Generations Act are met. The Performance Evaluation Framework measures impact on all of the wellbeing goals</p>

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link:

<http://hub/corporatedocs/Equalities/Forms/AllItems.aspx> or contact Alan Burkitt on 01633 644010 or alanburkitt@monmouthshire.gov.uk

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
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Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The 'Transform in house' model will provide greater opportunities for all ages as it will look to invest, develop and build on existing facilities and programs. There will also be a joined up approach so that all service areas in scope provide a much wider offer. The new model is likely to provide employment opportunities in new areas of the business for existing staff within marketing, sales, catering etc. These positive impacts will apply to all protected characteristics listed below.	n/a	Asking all of customers and partners what matters to them will evidently improve services. If we are in a position in the future to redesign and invest in facilities we will see an improved offer for all.
Disability	Any new re-design and development will conform to the Equalities Act.	n/a	Working with key partners we have ensured all new facilities and re-developments have/will be fit for purpose and suitable for all abilities.
Gender reassignment	As in Age row	n/a	As in Age row
Marriage or civil partnership	As in Age row	n/a	As in Age row
Pregnancy or maternity	As in Age row	n/a	As in Age row
Race	As in Age row	n/a	As in Age row
Religion or Belief	As in Age row	n/a	As in Age row

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Sex	As in Age row	n/a	As in Age row
Sexual Orientation	As in Age row	n/a	As in Age row
Welsh Language	Consideration will be given to any new signage and plans for any redevelopments to comply with the Welsh Language act. All marketing materials and general information for customers will be provided bilingually including planned social media. There are current Welsh Language courses running for all front of house staff to meet and greet customers and these will be developed. All job adverts are now advertised as requesting Welsh speakers as part of the person specification.	n/a	Staff are engaging in improving their ability to communicate through the medium of Welsh. There is support for this centrally via a scheduled training program to ensure teams are in a good position to deliver the core aims within a set timeframe.

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/have you done to mitigate any negative impacts or better contribute to positive impacts?
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Safeguarding	We will ensure safeguarding is at the forefront of all plans with the relevant documentation, systems and procedures and levels of training in place for all staff relevant to the role consistently across the board.	n/a	We will continue to prioritise our safeguarding measures, reflect on current practice and continue to train staff to the appropriate levels. All service areas have updated SAFE procedures in place in line with MCC procedures and a training database is maintained by all managers to reflect upskilling of staff within this area. We also link with our sports clubs to ensure they have nominated individuals to safeguard their users.
Corporate Parenting	We will continue to work with our partners to assist in any way we can and add value to the current provisions.	n/a	We will continue to have representation for this area at all team meetings and continuously monitor and review all systems and procedures mentioned above to ensure we are providing as safe an environment for all of our customers as possible. We actively encourage all staff to be vigilant and report any instances they feel appropriate and have procedures in place for this.

5. What evidence and data has informed the development of your proposal?

Throughout this process the following documents have underpinned the agreed move to an ADM:

- Final Business Case
- Amion report regarding the Future Options for MCC's Cultural Services;
- The Medium Term Financial Plan;
- Full Engagement Plan;
- Welsh Government Guide to Alternative Delivery Models;
- Anthony Collins Strategic Outline Case;
- MCC Strategic Outline Case;
- Outline Business Case produced by Kevin Ford working as an associate with Anthony Collins

- VAT Report by Mazars
- Advice and Support from other Leisure Trusts/Charitable Organisations
- Draft Heads of Terms for Teckal and Charity
- Draft Articles of Association for Teckal and Charity
- Shadow Board Paper
- Governance note for Teckal and Charity from Anthony Collins

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The 'Transform in house model will ensure valued local services are maintained and by their nature continue to provide employment, growth and an increasingly skilled workforce. The proposals will enable services to be kept open with stronger community focus and coordination. The positive engagement activities with communities and staff will continue as well as a focus on income generation and investment in key aspects of the business to ensure the culture and business thrives. Incorporated services will contribute greatly to local culture, heritage and art with the promotion of activity, health and wellbeing forming part of its key drivers.

7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress
Produce and present Strategic Outline Case to Joint Select (SOC)	5 th October 2016	Ian Saunders & Working Group	Complete
Subject to approval Draft Outline Business Case will be developed	October – February 2017	Ian Saunders & Working Group	Complete
Presentation for Senior Leadership Team around the Draft Outline Business Case	26 th January 2017	Ian Saunders & Working Group	Complete
Draft Outline Business Case to go to Senior Leadership Team	February 2017	Ian Saunders & Working Group	Complete

Draft Outline Business Case to go to Joint Select	27 th February 2017	Ian Saunders & Working Group	Complete
Draft Outline Business Case to go to Full Council for approval to progress to full Business Case	20 th March 2017	Ian Saunders & Working Group	Complete
Complete full business case and first draft of Business Plan to present to Cabinet	March – December 2017	Ian Saunders & Working Group	Complete
Subject to approval the ADM group structure will be established	June – August 2018	Ian Saunders & Working Group	
Subject to approval the ADM will go live	1 st October 2018	Ian Saunders & Working Group	
MonLife – ‘Transform in house model’	11 th April 2019	Peter Davies and Frances Williams	

- 8. MONITORING:** The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Ongoing (in line with the above schedule)
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- 9. VERSION CONTROL:** The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1	<i>Principle of the Alternative Delivery Model to be approved</i>	<i>September 2016</i>	<i>This will demonstrate how we have considered and built in sustainable development throughout the evolution of a proposal.</i>

2	<i>Outline Business Case Draft</i>	<i>March 2017</i>	
3	<i>Completion of Final Business Case and first draft of Business Plan</i>	<i>November 2017</i>	
4	<i>Completion of update report and associated draft legal and governing documents</i>	<i>June 2018</i>	
5	<i>Move to 'Transform in house' model</i>	<i>April 2019</i>	