

**RM4189 – L0694; Support Provision under the Mutuals Support Programme  
Dudley Lifelong Services**

Value Statement - Consultancy

<b>Section 1 - Consultancy Value Statement: Value to be delivered</b>											
<b>Supplier Name</b>	MetaValue Ltd										
<b>Title of Contract</b>	RM4189 - L0694; Dudley Lifelong Services										
<b>Requirement Summary</b>	<p>Dudley Lifelong Learning (“the Potential PSM”) is looking to spin out of Dudley Metropolitan Borough Council (“the Parent Body”) to deliver library, archives and learning services. The core services of the Potential PSM will be: the Archives and Local History service which preserves and promotes the history of the borough and, Public Library Services and Adult and Community Learning services which fulfil the needs and aspirations of adults, families and businesses and deliver economic, learning, health and wellbeing outcomes in Dudley.</p> <p>The Parent Body has expressed its intention to explore innovative ways of making savings and bringing in additional income, including delivering services in alternative ways. The Potential PSM is seen as a valuable part of the Parent Body’s offer and has been modernised over the last six years to provide a more efficient service.</p> <p>The mutualisation support package has the following objectives:</p> <ol style="list-style-type: none"> <li>1. To develop an existing outline business case which will allow the Potential PSM to demonstrate to the Parent Body the Potential PSM’s viability and sustainability as an independent mutual organisation by 31 March 2015.</li> <li>2. To enable the Potential PSM to develop an initial business plan into a full robust 5 year business plan with accompanying detailed and updateable financial model.</li> <li>3. To deliver a model of governance that services the needs of the Potential PSM (enabling staff and service users to participate and contribute to the development of the Potential PSM).</li> <li>4. To support the potential PSM through the process of engaging with staff and key stakeholders.</li> <li>5. To capture and share key learning and experience for other Parent Bodies and mutualisation projects delivering Library and Archive services.</li> </ol> <p>The table below provides an outline of the deadline dates of the key Deliverables:</p> <table border="1"> <thead> <tr> <th><b>Deliverable</b></th><th><b>Deadline</b></th></tr> </thead> <tbody> <tr> <td>Business Planning and Financial Modelling</td><td>31 March 2015</td></tr> <tr> <td>Governance and Legal Structure</td><td>31 March 2015</td></tr> <tr> <td>Transition Planning</td><td>31 March 2015</td></tr> <tr> <td>Knowledge Sharing Deliverables</td><td>31 March 2015</td></tr> </tbody> </table>	<b>Deliverable</b>	<b>Deadline</b>	Business Planning and Financial Modelling	31 March 2015	Governance and Legal Structure	31 March 2015	Transition Planning	31 March 2015	Knowledge Sharing Deliverables	31 March 2015
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<b>Financial Value Statement</b>	The maximum contract value for this requirement was £42,463										
<b>Non-financial Value Statement</b>	<p><b>Support Requirement 1- Legal and Governance</b></p> <p>The Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resources or backfill, to enable the Potential PSM to test the suitability of charitable status and to develop a clear understanding to select the most appropriate legal form going forward and, to develop an appropriate governance structure that suits the needs of the Potential PSM. This support should include the implications of the following:</p> <ul style="list-style-type: none"> <li>• Growth and investment opportunities</li> </ul>										

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	<ul style="list-style-type: none"> <li>• Determine appropriate governance arrangements and identify any skills gaps within the proposed governance structures and board</li> <li>• Tax implications for the new entity</li> <li>• HR (including TUPE)</li> <li>• Future pension arrangements</li> <li>• Maximising staff and community involvement</li> <li>• Fundraising opportunities</li> <li>• Procurement advice regarding the Potential PSM</li> <li>• Asset transfer and leasing of buildings</li> <li>• Growth and investment opportunities</li> </ul> <p><b>Support Requirement 2- Business Planning and Financial Modelling</b></p> <p>The Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resources or backfill, to enable the Potential PSM to develop the existing business plan into a 5 year commercial business plan with accompanying robust and updateable financial model. Support should include, but should not be limited to: due diligence of the Potential PSMs existing business plan; testing options and developing sustainability and growth strategy for achieving profitability; developing a 5 year growth plan with accompanying growth strategy, developing a service pricing strategy and accompanying price list.</p> <ul style="list-style-type: none"> <li>• Consideration should be given for VAT and tax implications, realistic growth projections and strategy to determine future sustainability and accompanying investment strategy and fundraising strategy, financial implications of the support services, market and competitor analysis and pricing strategy, insurance requirements, future services offered by the Potential PSM, asset transfer, building rental, and pensions and TUPE liabilities.</li> <li>• A key part of this requirement is to ensure appropriate commercial and financial skills transfer to the Potential PSM and, to support any necessary negotiations with the Parent Body to ascertain assumptions in the business plan for, but not limited to, assets, leases and, service contracts.</li> <li>• The Supplier is also required to support the potential PSM through the process of engaging with staff and key stakeholders.</li> <li>• The Potential PSM is scheduled to have a mini Peer Review from the LGA/Arts Council England during this period and the Supplier is required to engage with this process.</li> </ul> <p><b>Support requirement 3- Transition Planning</b></p> <p>Building on Support Requirements 1 and 2, the Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resources or backfill, to support the Potential PSM to develop an outline transition plan for the service to go live by 31 March 2015. This should include details of all the activities required to transition to the agreed model, key dependencies, risks, mitigating actions, and any particular HR issues (e.g. future pension arrangements and, managing the TUPE process), legal issues (including any commercial arrangements between the Potential PSM and Parent Body) and financial issues.</p>
<b>Section 2 - Consultancy Value Statement: Actual Value Delivered</b>	
<b>Financial Value Statement</b>	The value paid for this contract of support was £42,463
<b>Non-financial Value Statement</b>	All the deliverables and objectives outlined above have been met for this contract.

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