

# Appendix 3 – Evaluation of options

# Future form of Wightcare service – Option 1 retaining existing Council service (recommended option)

Pro	Con
Wightcare is a trusted brand with growth across different service offers	Without robust service development and restructure, service costs will outweigh income
Retains valuable staff resources with longstanding knowledge	Current low level of marketing activity will not extend reach of the service
Local service is delivered by locals - Personal touch	Service requires greater profile across health and care
Greater knowledge of community resources and networks to link customers to	Price increases alone will not fully address the financial position & will lead to loss of customers
Retains local pound as significant contributor to island economy	Overhead costs are outside of the control of Wightcare and may fluctuate due to other corporate service need costs.

# Future form of Wightcare service – Option 2 service commissioned externally

Pro	Con
Potential to exploit greater economies of scale and experience across different contracts	Greater likelihood of limited local knowledge and services available on the island
Greater expected experience of benefits realisation and culture change due to nature of commissioned contracts	Far more likely to only deliver exactly what is laid out in the contract and far harder to amend during contract without variation process
Regular performance monitoring to ensure KPI's are achieved	Potentially significant unseen cost outside of contract for additional extras
	More likelihood for money to be taken out of local economy as service provider expected to not be located on the island

# Future form of Wightcare service – Option 3 new Local Authority Trading Company (LATC)

Pro	Con
The new company has the 'branding' associated with the Council to retain public confidence	There are one off set up costs to create a new infrastructure
Terms of set up will include the level of any profit that is returned in kind to the Council or reinvested in the company to meet increased demand	The retained infrastructure of the Council may not easily achieve the benefit of cost reductions & consequent savings
Retains value staff resources and experience	Separate insurance and risk indemnity will be required
Research has shown that staff commitment increases and sickness decreases.	Question over whether the trading arm would need to purchase support services through the Council or option to look elsewhere
	Need for LATC model unclear as no defined competition on island