



CABINET: 6 FEBRUARY 2015

COMMISSIONING AND PROCUREMENT STRATEGY

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

PART A

Purpose of Report

1. The purpose of this report is to request the Cabinet's approval of the the proposed Commissioning and Procurement Strategy ('the Strategy') further to consideration by the Cabinet in November 2014 when it was agreed that the draft Strategy would be circulated for consultation.

Recommendations

2. It is recommended that:
 - a) The feedback received during the consultation process, and the comments of the Scrutiny Commission be noted;
 - b) That the draft Strategy as appended to this report be approved subject to the Director of Corporate Resources, following consultation with the Cabinet Lead Member, being authorised to make any final changes arising from the comments of the Scrutiny Commission and the Cabinet;
 - c) That progress against the Strategy is reported to the Cabinet annually.

Reasons for Recommendations

3. The Strategy provides the framework, vision and key principles for transforming the Council's approach to commissioning. Full public consultation and Scrutiny has been undertaken on the Strategy to test its validity and aspirations. Relevant suggested changes have been incorporated and a summary of all feedback received is highlighted within the Consultation Summary Report (Appendix 1). Due to the publication date for the Cabinet agenda it was not possible to incorporate the comments of the Scrutiny Commission in this report and they will therefore be reported at the meeting.
4. Implementation of the Strategy will play an essential role in delivering transformation and achievement of further efficiencies across the Council.

Timetable for Decisions (including Scrutiny)

5. This report will be considered by the Scrutiny Commission at its meeting on 28 January 2015 and its comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

6. The Council's Strategic Plan 2014 - 18 gave a commitment to develop a new Commissioning and Procurement Strategy. The Council's previous Commissioning and Procurement Strategy (approved by the Cabinet in July 2009) expired in 2013.
7. The Commissioning and Procurement Strategy is a key corporate document, which supports delivery of the Council's Transformation Programme, Medium Term Financial Strategy, and Communities Strategy.
8. At its meeting on 19 November 2014 the Cabinet approved the draft Commissioning and Procurement Strategy as a basis for consultation and agreed that a further report would be submitted in February 2015.

Resource Implications

9. There are no resources implications directly arising from this report. Delivery of the Strategy will be addressed through the Council's Transformation Programme. The Strategy is expected to make a major contribution to the delivery of the Council's Medium Term Financial Strategy. This will include making the most of all the available resources, not just those of the Council, but also the resources of partners, suppliers, communities and residents.

Circulation under the Local Issues Alert Procedure

10. None.

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PART B

Background

9. The new Commissioning and Procurement Strategy represents a step change in the Council's commissioning approach. The Strategy supports delivery of the Council's corporate priorities including the need to change fundamentally the way the Council operates in order to achieve the required efficiency savings.
10. The Strategy will cover the period up to 2018 so that it aligns with the Council's Strategic Plan 2014-18 and the Medium Term Financial Strategy 2015-18.

Proposal

11. The Strategy proposes 8 Commissioning Principles and supporting actions to drive change. The Commissioning Principles are as follows:
 - i. Making decisions based on evidence;
 - ii. Understand and challenge needs and manage demand;
 - iii. Take an outcomes based approach to commissioning;
 - iv. Challenge and review service delivery model (make, shift, buy, share, stop) to make sure value for money is achieved;
 - v. Use an enhanced commercial approach by taking a more 'business like' approach to creating further efficiencies and maximising income;
 - vi. Collaborate with others to secure the best outcomes for the people of Leicestershire;
 - vii. Innovation in performance management to ensure we are getting the most from all of our commissioning and contracting arrangements;
 - viii. Enhance sustainability – environmental, economic and social for the ongoing well-being of the people of Leicestershire.
12. The overall aim of the Strategy is to:
 - help to achieve a greater level of consistency in commissioning across the Council and partner organisations;
 - make the most of all the resources available (not just those of the Council) but partners, suppliers and communities to make the biggest possible impact;
 - establish a more commercial approach by adopting core business practices that will maximise service efficiencies and maximise income;
 - continue to place customers and communities at the heart of everything which the Council does.
13. In doing so, the Strategy is expected to influence how every single service is planned, delivered and measured.

Consultation

14. Consultation was undertaken between 19 November 2014 and 15 January 2015. Those consulted included staff and trade union representatives, partners, suppliers, representative bodies, community groups and residents. All those consulted were invited to complete a short questionnaire designed to obtain their views, comments and suggestions on the draft Strategy. A Communications Plan was prepared and was supported by a summary version of the draft Strategy and presentation slides to help cascade key messages to different stakeholders.
15. Consultation was also undertaken with the Scrutiny Commission at its meeting on 28 January 2015 and its comments will be reported at the meeting.
16. A total of 43 responses were received during the consultation process. The composition of the respondents was as follows: 16 Leicestershire County Council employees, 14 members of the public, 13 business and supplier organisations.
17. Analysis of the responses shows that the Strategy has increased the overall understanding and awareness of the respondents concerning the challenges the Council is facing and how Commissioning and Procurement play a role in addressing these challenges. The majority of respondents agreed that the Strategy set the best way forward for the County Council.
18. The proposed 'Commissioning Principles' as detailed within the strategy were well received. Several minor changes to wording and the order in which the principles are presented were suggested. These changes have now been included within the revised Strategy as at Appendix 2.
19. A detailed summary of the Consultation process and feedback received is included in Appendix 1.
20. Subject to approval of the Strategy, its progress will be implemented and monitored by the Council's Centre of Excellence for Commissioning and Procurement Support and an annual Progress Report will be submitted to the Cabinet.

Background Papers

Leicestershire County Council Strategic Plan 2014 – 2018

http://www.leics.gov.uk/leics_strategic_plan.pdf

Leicestershire County Council Medium Term Financial Strategy

http://www.leics.gov.uk/index/your_council/budget/medium_term_financial_strategy/mtfs_2014.htm

Report to the Cabinet, 13 October 2014, Communities Strategy:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4268&Ver=4>

Report to the Cabinet, 6 May 2014, County Council Strategic Plan and Transformation Programme:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=3990&Ver=4>

Report to the Cabinet, 19 November 2014, Draft Commissioning and Procurement Strategy:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=3995&Ver=4>

Appendices

Appendix 1 – Summary of Consultation feedback

Appendix 2 – Final Commissioning and Procurement Strategy

Relevant Impact Assessments

Equalities and Human Rights Implications

21. An Equalities and Human Rights Impact Assessment (EHRIA) has been completed. It is not considered likely that a full EHRIA Report will be required due to the intended positive outcomes this Strategy is likely to create for individuals and community groups.

Environmental

22. The Strategy includes a range of actions to ensure that environmental considerations are built into commissioning and procurement activity and contribute to the Council's target of reducing carbon emissions.

Partnership Working and Associated Issues

23. It is expected that the Council will work with a wide range of partners to deliver the proposed actions within the draft Strategy.

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