

MANCHESTER CITY COUNCIL REPORT FOR INFORMATION

COMMITTEE: Resources and Governance Overview and Scrutiny Committee -
15 October 2009

SUBJECT: Strategic Commissioning

REPORT OF: Deputy Chief Executive (Performance)

PURPOSE OF REPORT

To present the council's approach to service commissioning and its value to residents, with reference to real life examples of commissioning outcomes. The Manchester Model of effective commissioning supports achievement of Local Area Agreement targets and thus delivery of key elements of the community strategy.

RECOMMENDATIONS

To note the examples of commissioning of services demonstrated and the potential impact that commissioning of services has on supporting a more effective and innovative approach to service delivery across the Manchester Partnership.

FINANCIAL CONSEQUENCES FOR REVENUE BUDGET

None highlighted at present

FINANCIAL CONSEQUENCES FOR CAPITAL BUDGET

None highlighted at present

WARDS AFFECTED

All

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BACKGROUND DOCUMENT

Manchester's Local Area Agreement
Improving Joint Commissioning in Manchester (The Manchester Model)

1. Background:

- 1.1 A report of the Director of Adult Social Care was submitted to this Committee on the 4th September 2008 informing members of the work that was being undertaken to develop a Manchester Model of effective commissioning to support achievement of Local Area Agreement targets and thus delivery of key elements of the community strategy.
- 1.2 The Committee was informed that as part of the drive towards better partnership delivery of the Local Area Agreement a more effective and innovative commissioning process needed to be put in place which would bring benefits to partners, suppliers of services and customers.
- 1.3 The Committee recognised that commissioning was an important tool to support delivery of the Local Area Agreement, to support best use of resources and that it was mainstream activity for a number of Council departments and NHS Manchester. The Manchester Model will enable commissioners to apply the best practice to achieve better outcomes and to identify how to improve the use of resources.

2. Introduction:

- 2.1 Put simply commissioning is a process of identifying needs for services, ensuring they are procured properly and effectively, and reviewing them.
- 2.2. The work to produce the Manchester Model has articulated the common set of principles which underpin the five main commissioning models: Children's Services as directed by DCSF; World Class Commissioning by NHS Manchester; Commissioning from the 3rd sector, Mainstream Adults commissioning using the Audit Commission model, and commissioning for personalisation in Social Care. This is the basis of the Manchester Model, which has been designed, adapted and developed by all partners.
- 2.3 The Comprehensive Area Assessment requires us to produce evidence of commissioning as part of the assessment of our Use of Resources. The Manchester Model and examples of commissioning provide important evidence for this key line of enquiry.

3. Getting Service Commissioning right.

- 3.1 The council will have an understanding of the inequalities and diversity of its local communities and their needs for services over the longer term, grounded in the sustainable community strategy. This understanding of need should reflect wider social, economic and environmental issues and form the basis of the organisation's strategic approach to service planning, commissioning and procurement. Single tier and county councils will have produced a joint

strategic needs assessment, with relevant partners of the health and social care needs of the local community, and will also have formally evaluated the use of joint commissioning for health and social care. The council will also have identified opportunities for greater co-operation with its statutory partners for joint commissioning in other services.

- 3.2 The council will be engaging with a range of stakeholders and people who use services, including those groups who are difficult to engage with, to inform its understanding of the diverse needs of the local community and assist in establishing priorities and in service planning and design. The council will review services in the light of its assessment of need and identify priority services for review. It will be involving people who use services, partners and potential suppliers (public, private and their sector) in the design of services and looking to make the delivery of those services more socially, economically and environmentally sustainable.
- 3.3 The council will be focusing on improving the customer experience of services, access to services and whether they offer value for money. Access to services for users is an important component of quality and in reducing inequalities within the community. The IT strategy will be aligned with organisational strategic objectives and priorities, and the council will be using technology as an enabler of business change to support the achievement of these priorities. Services will have been evaluated and redesigned to remove inefficiencies and exploit IT-driven efficiencies.
- 3.4 The council's commissioning and procurement will be based on a good understanding of the market to optimise competitiveness, choice and flexibility. Commissioning and procurement staff will have a good understanding of the network of suppliers, current and potential, and actively manage relationships with them in order to maintain a two-way dialogue, awareness of needs and ability to respond.
- 3.5 The council will be considering the following factors in evaluating its procurement options:
 - where it looks to source goods and services – candidates will include internal as well as external suppliers, external suppliers may include specialist companies set up to provide services to public bodies;
 - whether it considers workforce matters when services are out-sourced, including compliance with legislation and relevant statutory guidance such as the Two Tier Code (Code of practice on workforce matters in local authority service contracts);
 - the extent to which it considers joint purchasing activities with other councils and public bodies;
 - whether each option considered is compliance with internal governance and legal requirements including European Union regulations;
 - whether it understands the costs associated with different procurement options;
 - how it evaluates options and makes choices; and
 - the extent of feedback on the actual performance of each selected procurement option.

4. Examples of the Commissioning of Services

- 4.1 Officers from Childrens Services and the Drug and Alcohol Action Team will be present to provide examples of case study style examples of how improvements to services have resulted from commissioning and the benefits individuals.
- 4.2 A Crime and Disorder Joint Commissioning Group brings together different service provider to procure services that address the needs identified within the annual analysis. This includes key themes such as Youth Crime, Alcohol and Drugs. There are also increasing examples of good practice with activities such as Responsible Parenting Strategy and 'Not Just a Bump' teenage conceptions prevention programme.

5. Members and Scrutiny involvement in Commissioning

- 5.1 Elected Members and Ward Councillors are involved in commissioning through the budget and priority setting process and maintain the leadership role for the City. Elected members may also participate in the following forums:-
- Thematic Partnerships
 - LAA Performance and Resources Group
 - Executive Committee
 - Overview and Scrutiny Committee
- 5.6 Ward Councillors are also involved in the business planning process through ward co-ordination groups. The priorities and concerns raised through this process, along with any other performance information arising from the business planning process, will feed into the needs analysis produced for the thematic partnerships.
- 5.7 Executive Members may also be involved at the operational commissioning level, potentially in developing outcomes and agreeing service specifications.

6. Conclusion

- 6.1 The Strategic Commissioning Group is working to embed a commissioning culture across both the City Council and the Manchester Partnership. It's first priority is be to align both the Business Planning and Commissioning frameworks and to review the commissioning elements of thematic partnership draft action plans.

APPENDIX

TERMS OF REFERENCE

- An enabling and facilitating group to challenge and support strategic commissioners, providing peer review.
- Extol best practice across thematic partnerships and agencies.
- Seek out duplication, tensions between strategies, to streamline and resolve.
- Provide oversight of the CAA KLOE immediately and in the longer term set expectations of becoming excellent at Commissioning.
- Ensure that Commissioning improvement is in line with the Manchester model, work through each stage together and undertake work to improve at every stage of the cycle.
- Establish baselines against which to measure improvement.
- Include other commissioners/partners.
- To be Task and Finish Group meeting approximately six times, six weekly over the remainder of the year.