

TITLE OF REPORT: Corporate Commissioning and Procurement Strategy

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. To seek approval to implement the attached Corporate Commissioning and Procurement Strategy.

Background

2. The landscape within which the Council is operating is changing as Gateshead is facing significant financial and demand pressures arising from reductions in public spending along with increasing expectations, an ageing population and inequalities across the borough. Commissioning has a key role to play in the transformation necessary to determine what services are provided in the future, how they will be delivered, and by whom.
3. The Corporate Commissioning and Procurement Strategy sets out how the Council will work with partners, allocate resources and deliver the best outcomes for people whilst at the same time making the "Gateshead Pound" go further. It supports Vision 2030 and it will help to implement the Council Plan.
4. The Corporate Commissioning and Procurement Strategy is set out in three distinct categories, (Strategic Commissioning, Commissioning Services and Commissioning for individuals), to enable the Council to consider commissioning activity at different levels and to maintain a coherent approach.
5. A comprehensive training programme will be developed and rolled out to ensure that officers engaged in commissioning and procurement activity have the necessary skills and knowledge to undertake their role effectively.

Proposal

6. Cabinet is asked to note and agree the recommendations below:

Recommendations

7. It is recommended that:
 - (i) The Council be recommended to approve the Corporate Commissioning and Procurement Strategy attached at appendix 2 and its implementation across the Council;
 - (ii) A comprehensive training programme be developed and rolled out to all officers engaged in commissioning and procurement activity.

For the following reasons:

- (i) To ensure a corporate and consistent approach to commissioning and procurement activity; and
- (ii) To ensure that officers are provided with the skills and knowledge they require to undertake commissioning and procurement activities in accordance with the Strategy.

APPENDIX 1

Policy Context

1. The Corporate Commissioning and Procurement Strategy supports the overall vision for Gateshead as set out in Vision 2030. It also sets out how the Council Plan can be translated into commissioning outcomes, and how the Council's values and behaviours should be reflected within the Council's supply chain.
2. The Corporate Commissioning and Procurement Strategy will replace the existing Corporate Procurement Strategy and Commissioning Framework.

Background

3. It is important that the Council has a clear framework within which to undertake its commissioning activity to ensure consistency of approach across the Council and to be able to articulate its approach to all stakeholders.
4. The Corporate Commissioning and Procurement Strategy is set out in three distinct categories, (Strategic Commissioning, Commissioning Services and Commissioning for individuals), to enable the Council to consider commissioning activity at the different levels whilst implementing a coherent approach.
5. Strategic Commissioning describes a cycle of activity that begins by considering what evidence is telling us about our community, and then leads us to determine the needs of our local population and analyse what must be done to achieve the best possible outcomes within available resources. As part of our Strategic Commissioning approach we must then consider what role the Council and others will play in the delivery of outcomes.
6. Commissioning Services incorporates an inclusive approach to the design, prioritisation, management, delivery and monitoring of services and is an ongoing, cycle which should focus on outcomes. It is not to be confused with outsourcing, however if service provision is potentially to be satisfied via a source external to the Council, it is usually procured.
7. Commissioning for Individuals (sometimes known as "micro commissioning") describes how we will ensure that appropriate services are put in place to meet the needs of specific individuals. We will adopt the 9 standards set out in the "Commissioning for Better Outcomes" publication developed by Local Government Association (LGA), Association of the Directors of Adult Social Services (ADASS), Department of Health, University of Birmingham.
8. Good Commissioning and Procurement is not new to the Council and the Strategy includes a number of case studies that highlight best practice in the way that Commissioning and Procurement activity has previously been undertaken, however the Council would benefit from having a greater level of consistency across all of its activities.

Consultation

9. Desktop research has been undertaken to ensure that the strategy is comprehensive. Discussions have taken place with the Trade Union Representatives and they have not raised any fundamental issues with the Strategy, however further discussions are planned to clarify areas of concerns and they are interested in how it will be implemented in terms of alternative business models.
10. The Strategy was also considered by the Corporate Resources Advisory Group on 8 December 2016 and the views of the Group are attached at appendix 3.

Alternative Options

10. The only alternative option is not to have a Corporate Commissioning and Procurement Strategy; however the existing procurement strategy would need to be updated.

Implications of Recommended Option

11. **Resources:**
 - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms the implementation of recommendations would help to maximise value for money for all external spend.
 - b) **Human Resources Implications** – There are no direct Human Resource Implications resulting from the recommendations.
 - c) **Property Implications** - There are no direct Property Implications resulting from the recommendations.
12. **Risk Management Implication** - Implementing the recommendations would help to minimise the risk of failing to use resources in the most appropriate way to deliver the best outcomes.
13. **Equality and Diversity Implications** - Implementing the recommendations would ensure that equality and diversity issues were appropriately considered when undertaking Commissioning and Procurement activity.
14. **Crime and Disorder Implications** – There are no crime and disorder implications resulting from the recommendations.
15. **Health Implications** - Implementing the recommendations would ensure that health implications were appropriately considered when undertaking Commissioning and Procurement activity.
16. **Sustainability Implications** - Implementing the recommendations would help the Council to maintain a greater level of sustainability and ensure that sustainability issues were appropriately considered when undertaking Commissioning and Procurement activity.

17. **Human Rights Implications** - There are no Human Rights implications resulting from the recommendations.
18. **Area and Ward Implications** - There are no area and ward implications from the recommendations.

Background Information

19. The Corporate Commissioning and Procurement Strategy (attached as appendix 2)