

Information/Discussion Paper

Economy and Business Improvement Overview and Scrutiny Committee – 7 March 2011

Commissioning

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

- 1.1 During the consultation on the decision to move to be a commissioning council and the development of new senior management structures, the committee asked for a report to be brought back to a future meeting setting out examples of best practice from elsewhere.
- 1.2 In addition to meeting this request, this paper also sets out some of the changing context against which we are now developing our commissioning framework, progress against the programme and initial thoughts about the roles of members and specifically the role of scrutiny.
- 1.3 The aim of this paper is to give members a better understanding of commissioning by detailing some examples of commissioning in action both in Cheltenham (appendix 2) and elsewhere (appendix 1). The paper also attempts to address the concern of some members about their role in the future as we move to being a commissioning council. It does not provide all the answers but the roles of scrutiny set out in appendix 3 should provide a basis for discussion at the meeting.
- 1.4 Finally if the committee wish to scrutinise the commissioning programme itself the information provided in appendix 4 will facilitate this.

2. Summary of the Issue

- 2.1 Since the Council first agreed to explore the concept of commissioning, the coalition government has set out a number of policy statements including the Localism Bill. This sets in train a public sector framework which redefines the role of “the state” through decentralisation and explores the opportunities for different models of service delivery including social enterprise, active communities and the concept of “the civil society”. Although the content of the Localism Bill may be amended through its passage in parliament, its fundamental principles of decentralisation will remain which are:
 - Lifting the burden of bureaucracy
 - Empowering communities to do things their way
 - Increasing local control of public finance

- Diversifying the supply of public services
- Opening up government to public scrutiny
- Strengthening accountability to local people

2.2 The council already embraces these principles but will need to embed them further into its corporate outcomes and actions as well as the commissioning framework.

2.3 In addition to the above, Gloucestershire County Council (GCC) has now also adopted a commissioning approach to their senior management structures, with new arrangements anticipated to be in place for the beginning of the new financial year. They broadly mirror our own arrangements and this will facilitate joint working with GCC. The NHS is also undergoing a restructure with GP commissioning and stronger locality commissioning. The responsibility for public health is transferring to GCC through the creation of a health and wellbeing board, which will not only consider direct public health outcomes but also outcomes which have a determinant on health such as poor housing and poverty. The district councils are seen as key players in these new arrangements.

There has also been a review of partnership arrangements at a county level; the Gloucestershire Strategic Partnership has been replaced with a stronger democratic body “the leadership board” composed of leaders from all the councils together with chairs of the NHS and the Police Authority. This more highly focused partnership will enable better alignment against key outcomes for the county and facilitate better joint planning and delivery of services.

2.4 The final changing context is the budget position. The budget settlement for local government was worse than anticipated across the sector with savings being profiled in earlier years than expected. This will impact on the commissioning timetable, as the sector will need to ensure that the capacity to deliver early savings is balanced against long term vision and outcomes.

3. Summary of evidence/information

3.1 As stated above, the national context and indeed the Gloucestershire context is shaping the approach to commissioning. Attached at appendix 1 and 2 are examples of best practice from elsewhere in the country, and also from commissioning arrangements at a local level. From these the committee will see that the concept is something that has been tried and has achieved positive results.

3.2 Members’ greatest concerns have been about their role within the new arrangements and a small cross party working group has been established. Set out at appendix 3 are some thoughts about how member roles may work within the new arrangements, as well as some specific thoughts and examples of how scrutiny committees may operate. This was discussed with the cross party member working group at their meeting on 15 February 2011 and their comments have been incorporated.

3.3 It is clear that members have key roles to play in the commissioning process, from helping to identify needs in their local community, to supporting the translation of needs into measurable outcomes, service specifications and service level monitoring and review.

- 3.4** The senior management arrangements have now been finalised with all posts filled and due to commence officially on 1 April 2011. Over the next few weeks officers will be working with managers to determine what structures are required to deliver the council's ambition to be a commissioning council by April 2012.
- 3.5** One of the key building blocks for moving towards commissioning arrangements, is having robust partnership arrangements with key stakeholders. The Cheltenham Strategic Partnership has been operational for the best part of 10 years, and although reviewed during this period, it now requires a thorough review to ensure that it is aligned to the issues as set out in section two above. The council is participating in a "Partnership Improvement Programme" under the auspices of the Local Government Improvement Agency which will help facilitate discussions about how we can work more effectively with key stakeholders, and a small sub group of the Cheltenham Strategic Partnership will use the findings from this to propose new partnership arrangements which will be considered by the Council in the early autumn.
- 3.6** Work has also started on reviewing services using the commissioning approach, and work is ongoing in developing a timetable for undertaking a series of reviews. Members will be involved in these discussions to ensure that they are aligned to the timetable.
- 3.7** Attached at appendix 4 is progress against the commissioning programme along with the prompts that members of the committee as "parent" committee for programme management may wish to ask to ensure that the programme is meeting its stated objectives.

4. Next Steps

- 4.1** Members will want to satisfy themselves that the programme to move the council to one that is a "commissioning council" is on track and meeting its outcomes. In doing this it may have views about how best practice from elsewhere can be built upon to shape our thinking and how the scrutiny committee may be involved in the commissioning process moving forward.

Appendices	<ul style="list-style-type: none"> 1.Examples of Best Practice 2. Commissioning in action in Cheltenham 3. Scrutiny roles 4. Scrutinising the commissioning programme
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