

# ***Information/Discussion Paper***

## **Economy and Business Improvement Overview and Scrutiny Committee - 23 May 2011**

### **Commissioning Programme**

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 At the last meeting of the committee, members received an update report on the commissioning process and requested updates to a future meeting, particularly in relation to the commissioning timetable for future reviews.

#### **2. Summary of the Issue**

- 2.1 In 2010 the Council agreed that it would become a "Commissioning Council". This means that we will develop a culture of doing business where we employ the approach of analysis, plan, deliver/procure and monitoring and review, all of which are sound business practices. The approach can be adopted for large scale reviews or adopted by individual service managers when considering their service plans. It is a fundamental shift in thinking about what we do and how we do it, focusing on the outcomes we want to achieve.
- 2.2 All of this is set against a national context with legislative changes, a medium term financial strategy budget gap, a difficult economic climate and an ambitious corporate strategy which includes key projects such as the AG&M extension, North Place Development and the GO programme.

#### **3. Summary of evidence/information**

- 3.1 The council has already commenced three reviews which underpin the ambition to become a commissioning council.
- 3.2 The first of the reviews is leisure and culture, the details of which were set out in the recent update report to the social and community overview and scrutiny committee. This review was commenced first because it covers discretionary areas of expenditure, has a large budget and there are examples of where other delivery models have been developed. The review is still in its very early stages and a member working group has just been established to support the process. The review has set a challenging financial target.
- 3.3 The second of the reviews is for the built environment; again a briefing update was

presented to the meeting of the environment overview and scrutiny committee. This area was chosen as again it has a large budget and income stream but it also faces significant challenges through the localism bill. Added to this, members have strong views about some of the services in scope, and opportunities to develop different delivery models have already been taken for some of the services within scope. A member working group has been established and at its first meeting, members were able to discuss the potential outcomes they would want delivered and to talk about some of the potential constraints in the current operating arrangements. The review will identify savings but it is also about ensuring that future service delivery is able to meet future demands both from legislation and the community and business.

**3.4** Both the leisure and culture and built environment reviews are following a similar commissioning methodology which is testing out the process and identifying a way of working which will support the council's ambition to become a commissioning council.

**3.5** The third review is the development of shared waste services and the potential for a joint venture company. This review is not following the strict commissioning framework, and was driven by opportunities to partner with others whilst delivering savings. The council must be alert to opportunities as they arise and in developing its approach to commissioning must maintain a flexible approach.

**3.6** Members and indeed officers have requested that we have a commissioning timetable. Following a workshop to consider how this prioritisation may take place there was a danger that we try to reinvent the council's corporate strategy or redefine the corporate objectives which are set out below:

- Cheltenham has a clean and well maintained environment
- Natural and built environment is enhanced and protected
- CO2 emissions are reduced and we adapt to the impacts of climate change
- Cheltenham recovers quickly from the recession
- We attract more visitors and investors to Cheltenham
- Communities feel safe and are safe
- People have access to decent and affordable housing
- People are able to lead healthy lifestyles
- Residents enjoy a strong sense of community

**3.7** If you analyse the reviews which are currently being undertaken, that is leisure and culture, joint waste and built environment (as well as the GO programme) and the services whose primary function supports these outcomes, then the analysis leaves four outcomes to cover, if one accepts the principle that CO2 emissions and adaptation, along with stronger communities are built into all reviews.

- Cheltenham has a clean and well maintained environment
- Cheltenham recovers quickly from the recession (which would link to the outcome We attract more visitors and investors to Cheltenham)
- Communities feel safe and are safe
- People have access to decent and affordable housing

**3.8** Appendix 1 sets out these outcomes against a set of criteria about how a review may deliver improvements to outcomes delivery, the financial benefits of a review, the

resilience of the current delivery arrangements to meet the outcome, the timeliness of a review, and the risk and opportunity of either doing or not doing a review. In discussions with the Cabinet they have indicated that a clean and well maintained environment is probably their next priority particularly the review of green environment.

- 3.9** In creating a prioritised list of “where next” we need to be mindful about resources as we are only on the first steps of the current reviews and everyone is beginning to understand the complexities and resources involved in undertaking such fundamental reviews. However a prioritised list would enable those services in scope to prepare for a review and would enable us to test out with partners their priorities and opportunities for joint commissioning. However the council would need to be alert to any opportunities that arose to commission with partners etc and not be too rigid in its approach.
- 3.10** The commissioning programme board and SLT have considered the attached and agreed the priority order as green environment (but this is dependent on the timings of the waste project) and the commencement of a review of housing to consider the impacts of changing legislation and how this might impact upon our strategic direction. Cabinet in April have already endorsed the establishment of a member group and this would also dovetail with the development of the HRA business plan.
- 3.11** The cross party member working group will be meeting on the 17 May and will be reviewing this priority assessment. The committee will be given a verbal update on any relevant feedback from the working group at this meeting.

#### **4. Next Steps**

- 4.1** Members are asked to consider the attached programme and the direction of travel for the commissioning exercises and determine what information they need at future meetings to ensure that the council delivers its ambitions to be a commissioning council and how it will measure whether it has achieved its stated ambition.

---

<b>Appendices</b>	Appendix 1 - Prioritisation assessment
<b>Contact Officer</b>	Jane Griffiths, Director of commissioning, 01242 264126, jane.griffiths@cheltenham.gov.uk
<b>Accountability</b>	Cabinet Member Corporate Services
<b>Scrutiny Function</b>	EBI