

## WIRRAL COUNCIL

### CABINET

29 MARCH 2012

<b>SUBJECT:</b>	<b>CORPORATE COMMISSIONING STRATEGY FRAMEWORK</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR JEFF GREEN</b>
<b>KEY DECISION?</b>	<b>NO</b>

#### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report outlines the importance of a Corporate Commissioning Strategy and proposes an overall strategic commissioning framework to be applied corporately and with which more detailed service commissioning strategies should comply.

#### **2.0 BACKGROUND AND KEY ISSUES**

- 2.1 The Council has been the subject of a critical report of its corporate governance arrangements. Integral to this were the corporate and business planning arrangements including the management of performance and policy. Development and implementation of an overarching commissioning strategy will help ensure that:
- the needs of the community are identified and prioritised;
  - the Council has clear plans for meeting those priorities; and
  - the Council can demonstrate the impact of its policies on meeting those priorities.
- 2.2 The features of an effective Commissioning Strategy outlined in this report have been developed in consultation with colleagues in NHS Wirral together with a joint desk top review of literature and approaches in other organisations.
- 2.3 The Council has a number of Business Planning processes and a report elsewhere on this agenda proposes a revised Corporate and Business Planning framework. The Council has also agreed a Procurement Strategy which deals with how the Council acquires goods and services.
- 2.4 However, the Commissioning Strategy at a corporate level brings together the key business planning, engagement and performance processes, providing a framework to ensure community needs are identified, and appropriate services are provided and reviewed within available resources.

- 2.5 Defining features of a Commissioning Strategy therefore include:
- It is a formal statement of the Council's plans for securing, specifying and monitoring services to meet the community's needs at a strategic level. It applies to services provided by the Authority and its partners, including health and the voluntary, faith and community sector.
  - It takes a long term view of the issues which the Council needs to address.
  - It is evidence based.
  - It describes how the Council will move from assessing community needs, to ensuring services are delivered which improve outcomes and quality for the benefit of the community.
  - It reflects local priorities agreed with the community and partners.
  - It is a living document which will change as needs, priorities and resources shift; it will therefore be refreshed annually and reviewed on a three year cycle.
  - It is underpinned by:
    - Delivery plans setting out how long term goals will be achieved
    - A Financial Plan (Medium Term Financial Strategy) setting out finances and activities over the next three years
    - An Organisational Development Plan setting out how the Council will align itself to deliver against its strategic priorities over the next three years
    - An operating plan (Corporate Plan) setting out the details of the key deliverables and implementation plans over the short to medium term.
- 2.6 Given the scale and variety of service responsibilities, it will not be possible to cover the level of detail required for service reviews in a single strategy document. Therefore it is proposed that the Council agrees a single overarching approach to commissioning – the Corporate Commissioning Strategy Framework - supported by a suite of more detailed service commissioning strategies. Clearly this overlaps with some existing processes and plans, and it will be necessary to work towards integrating the related plans over the forthcoming business cycle.

### **CORPORATE COMMISSIONING STRATEGY FRAMEWORK**

- 2.7 An effective commissioning strategy will include the following:
- (a) Vision
- Description of the objectives the Council is trying to achieve in the long-term. (For example this could be addressing health inequalities, or attracting inward investment.)
  - An explanation of how these objectives meet community needs and how they are informed by the local and national context.

- An explanation of how resources will be targeted and how value for money will be assured.
- Core values of the organisation and how they will be developed.

(b) Context

- Population demographics (including scale, trends, segmentation)
  - Needs and quality of services (insights from data such as Joint Strategic Needs Assessment).
  - Current Performance (outcomes, trends).
  - Access and utilisation of services.
- Insights from public and local partners
  - How they have been consulted and engaged in the visioning and shaping phase of the strategy
  - Summary of relevant findings from previous consultations, and how they inform the vision.
  - Plans for future consultations (including service specific reconfigurations)
- Activity analysis
  - Current activity, forecast, trends
  - Assumptions underpinning future forecasting.
- Existing targets and local and national priorities
  - Current performance against targets/priorities which are linked to vision, goals and initiatives.
  - Areas of greatest risks based on current performance and how this may affect strategy over the next five years.
- Provider landscape (this may be articulated in relation to individual services and is effectively about the make or buy decision)
  - Strengths and weaknesses of current provision (including capacity and resource constraints.)
  - Current or planned market provision
  - Alternative provider options
- Financial position

(c) Strategy

- Develop a focused set of goals to deliver the overall vision and improve outcomes for the local population
  - Goals will be clearly defined strategic objectives that are both realistic and challenging, and can be clearly measured in terms of progress towards achievement
  - An explicit description of the prioritisation criteria used to determine goals based on needs
  - Explanation of how goals are tied to vision and outcomes
  - A definition of what success looks like, with clear criteria to assess the achievement of each goal.
- Set out initiatives (programmes of work) which will lead to the achievement of strategic goals including rationale for priority and an assessment of how they contribute to goals and vision, and provide value for money

- Impact on outcomes, activity and finance
- Any investment or disinvestment requirements of initiatives
- How stakeholders have been appropriately engaged in the formation of the initiative
- Organisational capabilities for successful delivery (this could be the Organisational Development Plan)
- Criteria used to measure success.
- Summary of overall impact of initiatives in terms of outcomes and quality mapped against each goal
  - Review of overall impact on activity/finance mapped against each goal
  - Summary of the overall impact of the initiatives on the provider landscape, mapped against each goal

(d) Delivery

- Past delivery performance
  - Develop a view of the critical failure/success factors that have characterised previous initiatives which can be used to inform implementation and risk management strategy
- Risk management
  - A list of the most significant risks to delivery
  - A rating of severity of each risk/likelihood of materialising
  - Details of mitigating actions that could be taken
- In-year monitoring
  - A set of key milestones for in-year monitoring for each initiative
  - A set of key metrics for in-year monitoring for each initiative
- Organisational requirements and enablers
  - A comprehensive view of required capacity and capabilities to implement strategic initiatives, highlighting gaps
  - Outline of organisational plan to develop the capacity and capability required for delivery.

2.8 This framework may be applied at a strategic corporate level and at a more detailed service level.

2.9 Fundamental to the continuous review of the strategy (outlined in Paragraph 2.5), is an effective Corporate Performance Framework which informs the appropriateness and effectiveness of the strategy and its implementation.

### 3.0 RELEVANT RISKS

3.1 Failure to develop and implement an appropriate Commissioning Strategy may mean that community needs are not identified and addressed appropriately within available resources.

#### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 The approach outlined in this report is to ensure that the Council develops an appropriate framework to identify, prioritise, and meet community needs and review the impact of policies to meet those needs. No further options have been considered.

#### **5.0 CONSULTATION**

- 5.1 To develop an effective commissioning strategy will require consultation with the community, partners and potential service providers.

#### **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 Consultation with the voluntary, faith and community sector will be critical to the development of an effective commissioning strategy.

#### **7.0 RESOURCE IMPLICATIONS**

- 7.1 Significant corporate resources will be needed to develop an effective strategy. The process will be closely aligned with the development of the Corporate and Business Planning Process and the Corporate Plan, outlined elsewhere on this agenda.

#### **8.0 LEGAL IMPLICATIONS**

- 8.1 There are no specific legal implications.

#### **9.0 QUALITIES IMPLICATIONS**

- 9.1 This report outlines the contents of effective commissioning strategies. An Equality Impact Assessment will be needed as the strategies are developed within the Council.

#### **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 There are none arising from this report; however implications identified during the development of the strategy will be reported appropriately.

#### **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 11.1 There are none arising from this report; however implications identified

## 12.0 RECOMMENDATIONS

- 12.1 That Cabinet agrees the development of a Corporate Commissioning Strategy Framework and notes its integration within the corporate and business planning cycle.
- 12.2 That the report be referred to the Improvement Board for approval.

## 13.0 REASON FOR RECOMMENDATIONS

- 13.1 The Council has been the subject of a critical report of its corporate governance arrangements. Development and implementation of an overarching Corporate Commissioning Strategy framework will help ensure that:
- the needs of the community are identified and prioritised;
  - the Council has clear plans for meeting those priorities;
  - the Council can measure the impact of its policies on meeting those priorities.

**REPORT AUTHOR:** David Taylor-Smith  
Deputy Director of Finance  
Telephone: 0151 666 3491  
Email: [davidtaylor-smith@wirral.gov.uk](mailto:davidtaylor-smith@wirral.gov.uk)

## APPENDICES

None

## REFERENCE MATERIAL

None

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	1 September 2011
Cabinet	2 June 2011