

26 October, 2017

To the Audit Committee

**ADULT SOCIAL CARE COMMISSIONING REVIEW PROGRAMME 2017-2021**

<b>Relevant Cabinet Member(s)</b>	<b>Wards Affected</b>	<b>Key Decision</b>
Councillor Rachael Blake	All	No

**1 EXECUTIVE SUMMARY**

- 1.1 Delivering effective commissioning and contract management is right at the heart of our transformational ambitions. The inputs of the AHWb Commissioning and Contracts team are critical to the success of the vast bulk of transformation / improvement projects that are either already underway or planned. The size and scale of this challenge should not be underestimated and there is a clear and obvious need to ensure that the commissioning function is stable and robust in order to maximise its effectiveness moving forward.
- 1.2 The move towards the development of a strategic commissioning approach with external partners is a key element of the Doncaster Place Plan. This will include opportunities for the implementation of joint commissioning arrangements where appropriate / achievable. The Commissioning and Contracts team will play a key role in this work.
- 1.3 In the shorter term, there is a need to ensure that all activities delivered by the team are geared towards addressing a number of key issues including playing their part in the achievement of committed budget savings and implementing a more robust and proactive process for managing contract breaches and waivers. All of these activities will help the Directorate to deliver against its short term improvement priorities and provide the basis for the longer term, more substantial transformation.
- 1.4 Audit committee members have previously been informed of the proposed approach to the development of a robust and comprehensive Commissioning Plan in April 2017. This Commissioning Plan has been completed this month with support and expert inputs from Ernst & Young (EY).

- 1.5 This report includes:
- The Executive Summary & Summary Delivery Plan that are both component parts of the whole Commissioning Plan; and
  - Details of the achievements and activity undertaken by the Commissioning and Contracts Team since April 2017, which demonstrates how the reduced capacity of the team is being effectively deployed despite multiple workload demands.
- 1.6 The Commissioning Plan represents a strategic approach to programme areas considering contracts holistically rather than triggered by individual contract expiry dates. It is based upon local strategic priorities and capacity of the Directorate and provides clarity both internally and to the market as to our strategic direction incorporating:
- Prioritised activities for the team in support of the Directorate's short term improvement priorities;
  - Additional / longer term activities including a programme of reviews of existing commissioned services, some of which will lead onto procurement activity and will require the plan to be continually refreshed;
  - A range of procurement activities for both new and existing services; and
  - The phasing of the above activities based on immediate priorities, workload demands and resource availability.
- 1.7 The Commissioning Plan reviews current capacity issues within the Commissioning and Contracts team and identifies where the team is currently under-resourced to satisfy workload demands. Audit Committee members are asked to note that efforts are currently underway to bring additional resources into the Commissioning and Contracts team. A variety of recruitment options are currently being considered.
- 1.8 The Executive Summary and Summary Delivery Plan can be found in Appendix 1.
- 1.9 Appendix 2 provides a high-level summary of both recent achievements and ongoing work of the team. It should be acknowledged that, at a time of reduced capacity particularly at senior levels, the team has worked hard and made progress in a number of key areas despite, as yet, there being no clear plan or clarification regarding priorities for the team. The team have continued to work within this challenging situation and both individuals and the team have displayed resilience. This reinforces the importance of the Commissioning Plan in providing the basis for future workload planning and prioritisation.

## **2 EXEMPT REPORT**

2.1 Not Applicable

## **3 RECOMMENDATIONS**

3.1 That Audit Committee note the achievements made and current workload of the team.

3.2 That Audit Committee note the content and ambition of the Commissioning Plan and note the resourcing requirements / implications associated with its successful implementation.

3.3 That the Director of People, or nominated deputies, is delegated the authority to agree and sign off the commissioning recommendations as the work plan is delivered and progressed.

## **4 WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4.1 The Commissioning Plan will support the delivery of the Adult's Transformation Programme to ensure future commissioning activity is evidence based, reflective of needs, outcome focussed, cost effective and provides value for money.

## **5 BACKGROUND**

5.1 The Commissioning Plan will support:

- Delivery of the Adult's Transformation Programme;
- Required improvements in commissioning arrangements and approaches;
- Future commissioning activity to be compliant with both financial and procurement regulations;
- Commissioned services to be evidence based, reflective of needs, outcome focussed, cost effective and provide value for money;
- Commissioned services to be affordable within the context of significantly reduced budgets, savings targets and a continued increase in demand;
- Decommissioning / remodelling as appropriate;
- Alignment / integration with partners consistent with the Doncaster Place Plan and Doncaster Growing Together; and
- Market management and sustainability responsibilities.

5.2 The Commissioning Plan is a working document which will change and evolve driven by review outcomes that have leadership and / or political sign off. The content of the plan also includes business as usual activity. Regular reporting and updates will be tabled at Directorate Leadership Team for consideration, approval and sign-off.

## 6 OPTIONS CONSIDERED

- 6.1 **Option 1- Do nothing:** There would be an inability to effectively support the delivery of the Adult's Transformation Programme and there would be a continual and potential increase in the number of contracts in breach with no clear plans for rectification in the absence of a structured plan. This would result in ineffective market management with services being at risk and the inability to meet the needs of individuals. The team would continue to work in a reactive manner rather than with a planned proactive approach.
- 6.2 **Option 2 - Agree the recommended approach outlined in the report and the detail of the commissioning plan.**

## 7 REASONS FOR RECOMMENDED OPTION

- 7.1 Option 2 is the recommended option as a clear strategic plan will support the delivery of the Adult's Transformation Programme to drive the necessary changes in culture, practice and delivery to enable and support modern, efficient and effective interventions.

## 8 IMPACT ON THE COUNCIL'S KEY PRIORITIES

	<b>Outcomes</b>	<b>Implications</b>
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Be a strong voice for our veterans</i></li> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	<p>The plan will benefit the local economy by increasing the opportunities for local service providers and developing local markets.</p> <p>The plan will also help to protect vital services by ensuring that resources are focussed on those most in need.</p>
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	<p>Commissioning activity is geared towards maximising the individual's independence and ensuring they remain safe</p>
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Safeguarding</i></li> </ul>	<p>Community development is a key element of the related Adult's Transformation Programme.</p> <p>Capacity will be increased in local communities to support vulnerable people, which in turn will strengthen those communities.</p>

	<b>Outcomes</b>	<b>Implications</b>
	<p><i>our Communities</i></p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
	<p>All families thrive.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	
	<p>Council services are modern and value for money.</p>	<p>The Adult's Transformation Programme and work plan will help to mitigate the unprecedented cost pressures faced. Increased value for money and efficiency will be fundamental to the achievement of savings.</p>
	<p>Working with our partners we will provide strong leadership and governance.</p>	<p>The plan will promote and support more effective partnership working within and across agencies.</p>

## **9 RISKS AND ASSUMPTIONS**

9.1 The principal risk is that future and unspecified reductions in the resources available for the Council to fund social care services are likely and will inevitably impact on the Council's actual commissioning activity and levels going forward.

9.2 Additional risks are:

- Recommendations are not approved;
- Lack of permanent senior management and inability to recruit to senior positions;
- Lack of corporate buy in in order to deliver on the plan;
- Barriers to integration are not addressed in a timely manner;
- Capacity within the Commissioning and Contracts Team to deliver the plan; and
- The market doesn't respond to change and are unable to deliver the required services

## **10 LEGAL IMPLICATIONS**

10.1 The Council must operate within the parameters set by its own contract procedure rules and European Procurement Regulations. The services identified within the Commissioning Plan will inevitably require formal procurement exercises and further legal advice will be required as the Plan

progresses, including Employment Law advice to ensure that the Council complies with TUPE regulations.

## **11 FINANCIAL IMPLICATIONS**

11.1 The total budget for bought in services in Adults, Health and Wellbeing in 2017/18 is nearly £90m before client contributions. The gap between the total spend and the value of the plan is due to two factors.

- Excluded from the figures quoted are other large scale contracts like the Residential and Nursing Care Home contracts.
- The values quoted in the plan are the original contract values and as some of the contracts are demand driven the current values are different.

Work is underway to get the current values on those contracts. Although there are savings in the 2017/18 budget relating to many of the areas contained in here those will be primarily delivered through the actions of Care Management. The longer term reshaping of services is a key part of the AHWb transformation plan and will provide vital support to achieving the savings contained in the MTF for 2018/19 and onwards.

## **12 HUMAN RESOURCES IMPLICATIONS**

12.1 It is noted that there is potential for increased capacity and workload in the Commissioning and Contracts team. Discussions have already taken place with Human resources regarding the business case for additional resources and the recruitment approach to be followed (if appropriate). Further discussions will be required as this work progresses.

## **13 TECHNOLOGY IMPLICATIONS**

13.1 In achieving the required level of transformation detailed in this reports, the requirement for technology and digital transformation must continually considered throughout the approach.

13.2 Customer, Digital & ICT have been working with Adults, Health & Wellbeing to deliver a range of transformation to support the Directorate including the delivery of immediate business improvements in respect of Deprivation of Liberties and Non-Residential processes contained with the Adult Management Information System (CareFirst) in addition to providing the required technology to support the Community Led Support model and the introduction of mobile/remote working devices to social care staff.

13.3 As the themes contained within this report evolve, it is important that a continued dialogue occurs across ICT & Digital Council Programme to ensure the proposals are aligned with the current AH&WB transformation work within Digital & ICT and the wider Doncaster Integrated People Solution (DIPS) Programme. This engagement will ensure that any technical developments or procurements required will consider the required integrations with corporate systems as well as ensuring that the future operating model is established in

compliance with security and stability standards of Doncaster Council and its PSN Compliance.

## **14 EQUALITY IMPLICATIONS**

We are aware of the Council's obligations under the Public Sector Equalities Duty and will ensure that due regard is embedded within each of the individual work areas identified within the Commissioning Plan.

## **15 CONSULTATION**

- 15.1 Developments flowing from the plan will be informed by any consultation undertaken through the related transformation programme activities.
- 15.2 The Commissioning Plan has been developed jointly by the Commissioning and Contracts Team and Strategic Procurement in liaison with EY and the AHWb PMO team. Further consultation will be undertaken in relation to the resultant procurement programme to ensure the capacity of Legal and Procurement staff is reflected.

## **16 BACKGROUND PAPERS**

- 16.1 Adults, Health and Wellbeing Transformation Programme Cabinet report, 29 November 2016.
- 16.2 Adults Commissioning Review Report, Audit Committee, 6 April 2017

## **REPORT AUTHOR & CONTRIBUTORS**

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## **Appendix 1 - Commissioning Plan**

- Executive Summary
- Summary Delivery Plan

Both documents are provided as separate attachments.