

Commissioning Strategy

2017 – 2020

Pricing
Inclusion
Agile
Procurement
Outcomes
Growth
Demand led
Value for money
Stakeholder
Performance
Data
Customer
Contracts
Improvement
Sustainable
Excellence



South
Northamptonshire
Council

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Introduction

Like all councils, Cherwell District Council and South Northamptonshire Council face unprecedented financial challenges as a result of reducing budgets from central government and because of the increasing demand for services as populations change and grow. We need to constantly strive to identify and implement more effective and efficient ways to deliver better outcomes for residents and the users of our services whilst also seeking to maximise opportunities to support the local economy.

To support this objective, the councils need to increase their capability to operate as commissioning organisations that regularly challenge and review the need for services, based on priority and need.

Commissioning strategy

Commissioning is the art of delivering the best possible outcomes through the best possible use of resources whilst at the same time generating excellent value for money. Our aim is to be 'innovative, agile commissioning organisations that secure better outcomes, by commissioning the right services from the right place, at the right time and at the right price'. Our Commissioning Strategy will ensure we:

- Understand and put the needs of our customers (service users, residents, businesses and community groups) at the heart of our decision-making and align this with the councils' corporate strategic economic, social, and environmental priorities.
- Align and integrate corporate planning and budgets in support of these needs.
- Develop bespoke specifications and commission appropriate service models, so the best possible outcomes for these priorities can be secured.
- Make full use of a mixed economy of provision that delivers value for money and efficiency improvements through excellence in contract procurement, effective service planning and robust monitoring and management.
- Monitor, measure, analyse and review our performance to continuously test the most effective way to deliver the best outcomes.

Needs of our customers

Our customers are our service users, residents, businesses, community groups and any other group that contributes to our local economy such as tourists and commuters. Our approach to delivering economic growth through good commissioning is to provide clear insight into customer need, leading to the development of services and markets from which we can generate additional revenues. This insight will tell us:

- what our customers want



- when they want it
- how they want it delivered, and
- the value they attach to particular services.

It will also include analysis of other strategic data such as market provision that will help design our service delivery accordingly. Insight will also be gained from existing internal knowledge, and we have developed a strategic information group that will identify, collect, analyse and use available data.

Aligning needs with the strategic priorities

The councils' corporate plans includes meeting the strategic priorities of:

Delivering economic growth

Serving thriving communities

Protecting and maintaining the quality of our districts

Delivering high quality services in a financially sustainable way

The priorities reflect the needs of our customers; therefore, our business planning must be focussed

on achieving these priorities as there is a mutually dependent relationship between this and attaining financial sustainability that includes meeting the demand for housing and the associated income growth.

By setting SMART objectives and targets that will meet customer need, we can develop the services to support specific activities (i.e. commissioning and delivery plans), and have robust performance measures that reflect our progress towards these targets, ensuring any additional income generation is maximised. This will require the breakdown of traditional service area silos, combining the activities of multiple service areas with the delivery of specific outcomes.

A mixed economy

Once we have considered the needs of customers, mapped out our strategic priorities and objectives and developed our service plans, the next stage is to deliver them.

The mixed economy refers to how we can best deliver our service models to gain maximum advantage from achieving outcomes and generating income. This could be from existing in-house teams, council owned not-for-profit organisations, the voluntary sector, the private sector or from companies like Graven Hill that are able to generate income through competing fully in the private sector.

We will also continue to contract, collaborate and partner with private businesses, the voluntary sector and with social enterprises where it is most effective to do so, by commissioning work in a way that supports our social, economic and environmental aims, and by employing strategies such as specifying the use of local suppliers or apprentices as a condition of contract.



Next steps

Our focus will be to commission work which will produce key outcomes rather than using the more traditional approach to procurement and the provision of services. By identifying the needs of our customers, we can set our strategic priorities, develop our service plans and deliver the best service possible. In order to deliver the commissioning framework we need to create an environment that encourages insight and that develops capability to commission.



Insight

The purpose of the Insight Team will be to research, collate and organise strategic evidence based management information in such a way that it can be used purposefully and effectively to inform commissioning strategy. It will set the direction for developing service specifications and for commissioning delivery to meet specified outcomes. The Insight Team will need to:

- Own the corporate data strategy, and the corporate data and systems used for storing and analysing data on behalf of the authorities.
- Understand and identify appropriate data sources to draw intelligence from, including internal sources.
- Gather intelligence and create programmes for intelligence gathering such as consultation and engagement with users of our services.
- Analyse the data and present data to commissioning managers in an appropriate and effective way.

The type of data being collected will vary greatly and whilst not exhaustive will typically include:

- Service user feedback (surveys, complaints, social media, customer services) from residents, businesses, visitors and commuters.
- Political, economic, social, technological, environmental and legal intelligence including legislative changes and statistical data.
- Business market intelligence, including competitor activity.

- Service performance data.
- Stakeholder and demographic mapping.

The team will analyse data presenting it an appropriate way to commissioning managers, which may include all or some of:

- Trend presentation.
- Category management presentation.
- Outcome presentation.

Commissioning resource

The purpose of commissioning resource is to use insight to develop optimal outcomes for service delivery and develop specifications for services that will achieve those outcomes. The commissioning resource will be responsible for the commissioning of these services from the mixed economy and from the ongoing supplier relationship via the contract management arrangements necessary to fulfil delivery in achieving outcomes.

The commissioning resource will:

- Work closely with the Insight Team to ensure effective intelligence is captured and presented appropriately.
- Use intelligence to deliver outcomes that will meet our corporate and financial objectives in the best way possible. This may take the form of plugging gaps in service delivery or working to improve the standard of currently adequate service delivery.
- Develop specification for services that will meet those outcomes, which will include looking across the organisation and not just focussing on single service areas, but prioritising the use of resources under category management. The development of specifications will be determined by working collaboratively with service users and other stakeholders to design appropriate pathways to desired outcomes.
- Decide on the best use of the mixed economy to deliver these outcomes and oversee procurement of services.
- Develop a supplier relationship and / or a contract management role to ensure optimal delivery of services (internal or external).

Commissioning resource should be aligned with strategic priorities and objectives. For example, this can broadly be translated into the delivery of outcomes in areas such as growth, people, and communities. A typical commissioning programme would be based on a four yearly cycle and all commissioned services would be subject to periodic review.

The cycle of the commissioning programme will focus on contract end dates, service development opportunities and funding opportunities and will work with insight gained from, for example, customer feedback on our performance. Ensuring a focussed contract management response that will enable an efficient reaction to any changes in service needed, identified via the gathering of specific insight, will mean that the commissioning cycle will remain agile.

Commission for outcomes

