

THURSDAY, 11 DECEMBER 2014

REPORT OF THE LEADER OF THE COUNCIL**PUBLIC SECTOR COMMISSIONING PROGRESS REPORT****EXEMPT INFORMATION****PURPOSE**

To seek Cabinet approval to the revised terms of reference for the Tamworth Strategic Partnership (TSP) which will establish a locality commissioning function within the partnership and establish the appropriate delegations to TBC officers to manage commissioning activity through the Locality Commissioning Hub in accordance with the Council's financial guidance and governance of the TSP.

To inform Cabinet on the progress of contracts awarded under Commissioning Cycle 2.

RECOMMENDATIONS

That Cabinet;

1. Endorses the revised terms of reference for the TSP establishing a locality commissioning function, called the Tamworth Locality Commissioning Hub, reporting to the TSP Executive Board, attached as appendix 1
2. Delegates authority to the Chief Executive, the Director of Community, Planning and Partnerships and the Director of Housing and Health to participate in the Commissioning Hub and to make commissioning decisions through the Commissioning Hub as and when appropriate in line with the Council's financial guidance and governance of the TSP,
3. Authorises the delegated officers in the Commissioning Hub to receive monies into the Council from TSP partners and pool funding and award contracts to support joint commissioning activity as and when appropriate in line with the Council's financial guidance and governance of the TSP,
4. Approves the revised Public Sector Commissioning Framework attached as appendix 2 updated to reflect the new commissioning landscape,
5. Authorises the removal of the Voluntary and Community Sector Commissioning Board from the list of outside bodies,
6. Endorses the progress made by the providers awarded contracts under the Council's Commissioning Cycle 2 procurement exercise and the 6 month performance report on the Commissioning Cycle 2 contracts attached as appendix 4.
7. Authorises creation of the budgets up to £555,000 to facilitate the pooling of funds to the cost centre established.

EXECUTIVE SUMMARY

Locality Commissioning:

In 2009 the Council through its Strategic Partnership infrastructure established a Voluntary Sector Commissioning Framework and Board. The purpose was to improve the clarity and accountability of funding to the third sector, bring consistency to how the Council works with partners with opportunities for alignment of funding to achieve economies of scale, more intelligent commissioning driven by needs analysis and to provide a robust framework to manage contracts.

Recognising the value of Commissioning and the fact that upper tier Local Authorities were transforming into Commissioning organisations, the Council took the next natural step in 2011 when it redesigned the function and purpose of the VCS Framework and Board to accommodate Public Sector Commissioning. The Public Sector Commissioning Framework was adopted by the TSP in 2012 and subsequently the TSP oversaw the procurement of a Business Support service and a joint commission between the Council and Staffordshire County Council for a Healthy Eating and Physical Activity commission.

The most recent milestone on this journey was reached as a consequence of a specific piece of work commissioned by the Staffordshire Health and Well-Being Board (HWBB). It involved identifying a specific and meaningful role for districts and boroughs in delivering the objectives and outcomes from the HWB Strategy. The outcome was a locality based commissioning tool designed to deliver improved 'well-being' outcomes at a local level using a combination of devolved, pooled and mainstream funding for the purpose of co-ordinating decisions on commissioning priorities and securing better investment decisions. The establishment of a multi-agency locality commissioning hub will be instrumental to the delivery of the improved 'well-being' outcomes.

The TSP at its meeting on 11 September 2014 received a presentation from the Chief Executive of Tamworth Borough Council setting out his work on behalf of Staffordshire HWBB, the progress made and the approval by the Health and Wellbeing Board of the recommendations. The TSP at this meeting endorsed the progress made and the establishment of locality based commissioning in Tamworth with the establishment of a multi-agency commissioning hub. The terms of reference attached to this report were approved in principle by the TSP at its meeting on 27 November and formally establishes locality commissioning within the TSP. Officers now seek approval from Cabinet to establish the Locality Commissioning Hub within the governance structures of the Council and to delegate appropriate functions to TBC officers to ensure the effective functioning of the Hub.

The key functions of the new Locality Commissioning Hub are:

- Establishing and setting the strategic needs for Tamworth
- Producing an annual Commissioning Plan
- Developing and influencing service specifications
- Managing commissioning processes and procurement activity including evaluation of tenders
- Performance management of appropriate contracts
- Overseeing de-commissioning processes

The Voluntary and Community Sector Commissioning Board has operated effectively for a number of years and has overseen two commissioning cycles on behalf of the Council. However, the establishment of the Tamworth Locality Commissioning Hub and the move to joint commissioning with pooled or aligned funding means that the Voluntary and Community Sector Commissioning Board is no longer appropriate. It is therefore proposed that Cabinet disestablishes the Voluntary and Community Sector Commissioning Board.

Progress to date on Locality Commissioning

A shadow Tamworth Locality Commissioning Hub has been in place over the last few months and has been focussing on two key pieces of work in a twin track approach: a pooled funding locality commissioning prospectus (pooling funding streams to support shared

priorities) and the redesign of Children & Young People (CYP) emotional health and wellbeing services in Tamworth (redesigning existing services to deliver a Tamworth offer with improved outcomes).

1. Pooled funding locality commissioning prospectus

Commissioning leads from across the partnership identified appropriate funding streams and developed one commissioning document setting out requirements for Tamworth under the 'wellbeing' agenda based on strategic needs assessments. The 'Improving Wellbeing in Tamworth' Commissioning Prospectus setting out the funding priorities was agreed by all funding partners and was published on 14 November 2014 using the Council's In-tend electronic procurement system. The Prospectus has been attached as appendix 3 to this Cabinet report. The closing date for submissions is Friday 23 January 2015. Multi-agency evaluation panels will then assess tenders and services will commence in April 2015. A Scheme of Delegation report, signed by the Leader of the Council, gave TBC officers delegated authority to commence this process in advance of this Cabinet report.

2. Redesign of CYP emotional health and wellbeing services in Tamworth

To develop a Tamworth offer and an Academy School offer under the Staffordshire Emotional Wellbeing & Mental Health of CYP Strategy. Working with the SCC and CCG Commissioners to deliver a local approach around:

- Developing a single process for commissioning Emotional Health services.
- CYP having access to Information, Advice & Guidance to keep them emotionally well.
- Develop capacity & confidence within the education environment to deal with tier 1 & 2 issues
- Involve CYP & families in the decision making

Commissioning Cycle 2 – Contract Management:

The contracts awarded under the Commissioning Cycle 2 commissioning programme, overseen by the Council's Voluntary and Community Commissioning Board have been in place since April 2014. Officers in the Communities, Planning and Partnerships directorate have been monitoring the contracts on a quarterly basis. Progress over the last 6 months has been acceptable and the few initial teething problems regarding performance data are being resolved. A 6th month progress report is attached as appendix 4 setting out the key performance data. An important focus of the performance indicators agreed with providers is the close link with the Building Resilient Families programme and a requirement to do more outreach to ensure the services are accessible to our more vulnerable families.

OPTIONS CONSIDERED

Locality Commissioning is an opportunity for the Council. The principal opportunity is one of influence over the decision making of other partners so that between us we are able to make a greater impact on improving the wellbeing of the residents of Tamworth. This may be the start of a fundamentally new way of working where more services are commissioned jointly, and given the current financial climate and commonality between respective agendas, officers recommend testing this model.

RESOURCE IMPLICATIONS

The principles underpinning the locality commissioning approach is to enable public sector partners to better co-ordinate decisions on commissioning priorities and how we use our resources to achieve them. One element to this work is to achieve better investment

decisions on funding used by all partners to support the early intervention/prevention 'wellbeing' agenda. The funding identified to support the 'Improving Wellbeing in Tamworth' Commissioning Prospectus for the two financial years 2015/16 and 2016/17 is:

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|---|-----------------|
| PCC Locality Deal Fund | £ 70,000 |
| Building Resilient Families reward grant (SCC) | £ 67,000 |
| Public Health district grant | £228,000 |
| CCG district grant monies | £150,000 |
| Community Cohesion funds (held in TBC reserves) | £ 20,000 |
| Lifecheck/PCT funds (held in TBC reserves) | £ 20,000 |
| Total | £555,000 |

A new cost centre has been established to hold this partnership funding.

Additional TBC officer time in Communities Planning & Partnerships and Procurement will be required to support the commissioning process and to support contract and performance management requirements. Initially this requirement will be met using existing officer time. These commitments are difficult to evaluate at this time as this is the first such exercise. It is expected that the funding of the multi-agency Locality Commissioning Hub will be the subject of future discussions with partners.

LEGAL/RISK IMPLICATIONS BACKGROUND

There are financial and risk implications to the Council in being the accountable body for the 'Improving Wellbeing in Tamworth' Commissioning exercise and for any future single commissioning exercise managed by the Council – in accordance with the Councils' Financial Guidance / Standing Orders. At this point in time it is expected that the value of the pooled budget will be £555,000 over the life of the 2 year contracts. Availability of future funding to meet commissioning commitments could be a significant risk to the Council as all contracts will be between the provider and TBC. However, in order to mitigate this risk and subject to the procurement process, break clauses will be included within the contracts/tenders. Partners will be expected to engage fully in the process – and inform the Council of any funding changes in sufficient time (say 6-12 months) to enable TBC to notify contractors accordingly and action the appropriate break clauses.

There may also be TUPE and employment related issues (e.g. redundancy) which will need to be managed. Partner support and advice will be sought to manage any HR type issues that may arise.

A risk register has been established on covalent. Officers will manage this risk register and will put in place mechanisms to mitigate these risks. Partnership agreements will be put in place between the Council and all funding partners. Lawyers from Staffordshire County Council are supporting this process and are currently looking at Staffordshire-wide mechanisms to support legal/HR and governance risks through appropriate legal documents to underpin locality commissioning.

The separation of roles between commissioner and provider will need to be considered carefully within this process. Legal advice will be sought through the appropriate TSP channels to ensure an appropriate segregation of duties where there may be a potential conflict of interest within TBC or other partners in the commissioning and delivery of this Prospectus or any future commissioning activity.

SUSTAINABILITY IMPLICATIONS

Staffordshire County Council has been supporting the work of the Council's Chief Executive

on behalf of the Staffordshire HWBB in establishing locality commissioning. Staffordshire County Council has set up a Staffordshire-wide Locality Working Strategic Leads group to share learning and to evaluate the effectiveness of this new approach. Future support and commitment to this approach will be influenced by the successful achievement of the outcomes sought through locality commissioning.

BACKGROUND INFORMATION

Tamworth has a well established strategic partnership which is built around the statutory Responsible Authorities Group. The Tamworth Strategic Partnership brings partners from the statutory, voluntary and private sectors together to deliver improved outcomes for the residents of Tamworth under the single vision of **One Tamworth, Perfectly Placed**. This mature strategic partnership is well-placed to oversee locality commissioning.

In addition, this Council has a long track record of effective commissioning of services to both the voluntary and community sector and private sector and has effective procurement and commissioning expertise.

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LIST OF BACKGROUND PAPERS

Scheme of Delegation, Report of the Leader of the Council, Locality Commissioning – Single Commissioning Process – published 18 November 2014.

Cabinet Report – Tamworth Borough Council Commissioning Programme Update – 23 October 2013

APPENDICES

Appendix 1 - Revised terms of reference for the TSP and terms of reference for the new Tamworth Commissioning Hub which will report to the TSP Executive Board

Appendix 2 - Public Sector Commissioning Framework updated to reflect the new commissioning landscape

Appendix 3 - Tamworth Strategic Partnership Commissioning Prospectus -Improving Wellbeing in Tamworth 2015 – 2017

Appendix 4 - 6 month performance report on the Commissioning Cycle 2 contracts

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