

# Strategic Commissioning Committee Annual Effectiveness Report



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# 1. INTRODUCTION

- 1.1 I am pleased to present the first annual effectiveness report for the Strategic Commissioning Committee. As members will be aware, as part of their interim assessment of the Council's governance arrangements in 2016, CIPFA recommended that committees review the extent to which they have operated within their Terms of Reference, through an annual report. This has been an aspiration for some time, representing good practice in governance terms and evidencing the Council's progress towards achieving CIPFA accreditation and I am glad to see the first report for the Strategic Commissioning Committee presented.
- 1.2 This first annual report is a good mechanism for the Committee to support the Council's improvement journey by demonstrating the ways that the Committee supports the principles of the Target Operating Model; contributes to the Local Outcome Improvement Plan, whilst also providing the opportunity to reflect on the business of the Committee over the past year and to look to the Committee's focus for the year ahead.
- 1.3 Throughout the first year, the Committee has worked collectively to support the Council in moving towards a commissioning based authority. It is heartening to see the unanimous agreement given to the key documents such as the Population Needs Assessment, the Local Outcome Improvement Plan (LOIP) 2016/2026, the Sustainable Procurement and Community Benefits Policy, and the Participatory Budgeting Policy and moving forward into the next year, I am confident that the Committee will continue to analyse the performance information and determine the delivery method that meets the needs of our customers.

Councillor Laing  
Convener, Strategic Commissioning Committee

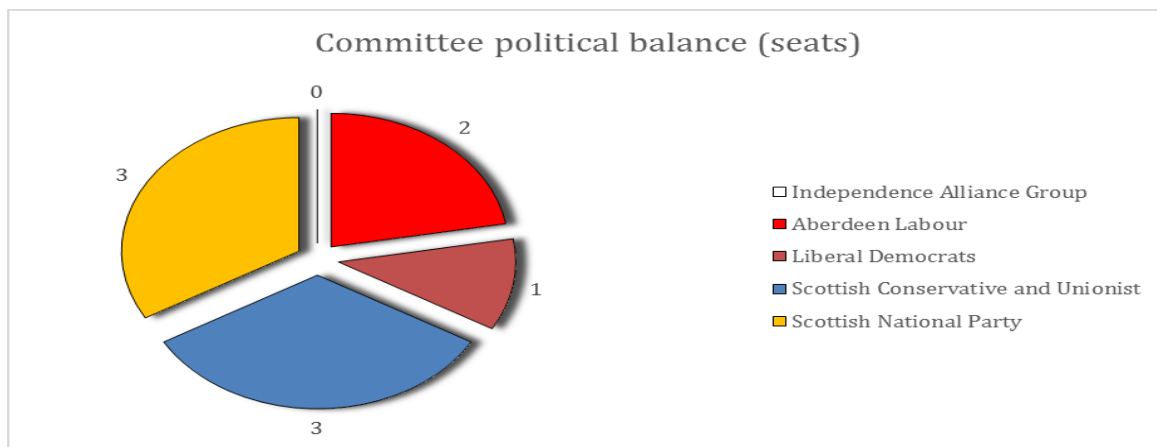


## 2. THE ROLE OF THE COMMITTEE

- 2.1 The Committee is to perform a key role as the Council changes from budget led service provision to outcome focused delivery. It reviews the needs of citizens through a population-need assessment and approves commissioning activity to meet those needs and the outcomes specified in the Local Outcome Improvement Plan. The committee also performs a monitoring role to help ensure that the needs and outcomes identified are being achieved.
- 2.2 The Terms of Reference for the Committee as approved by Council on 5 March 2018 are appended to the report.

## 3. MEMBERSHIP OF THE COMMITTEE DURING 2018/2019

- 3.1 The Strategic Commissioning Committee has 9 members and the composition is presented below.



## 4. MEMBERSHIP CHANGES

- 4.1 There were two changes to the Committee's membership throughout the reporting period with Councillor Jackie Dunbar replacing Councillor Nicoll in September 2018 and Councillor Donnelly replacing Councillor Sellar in November 2018.

## 5. MEMBER ATTENDANCE

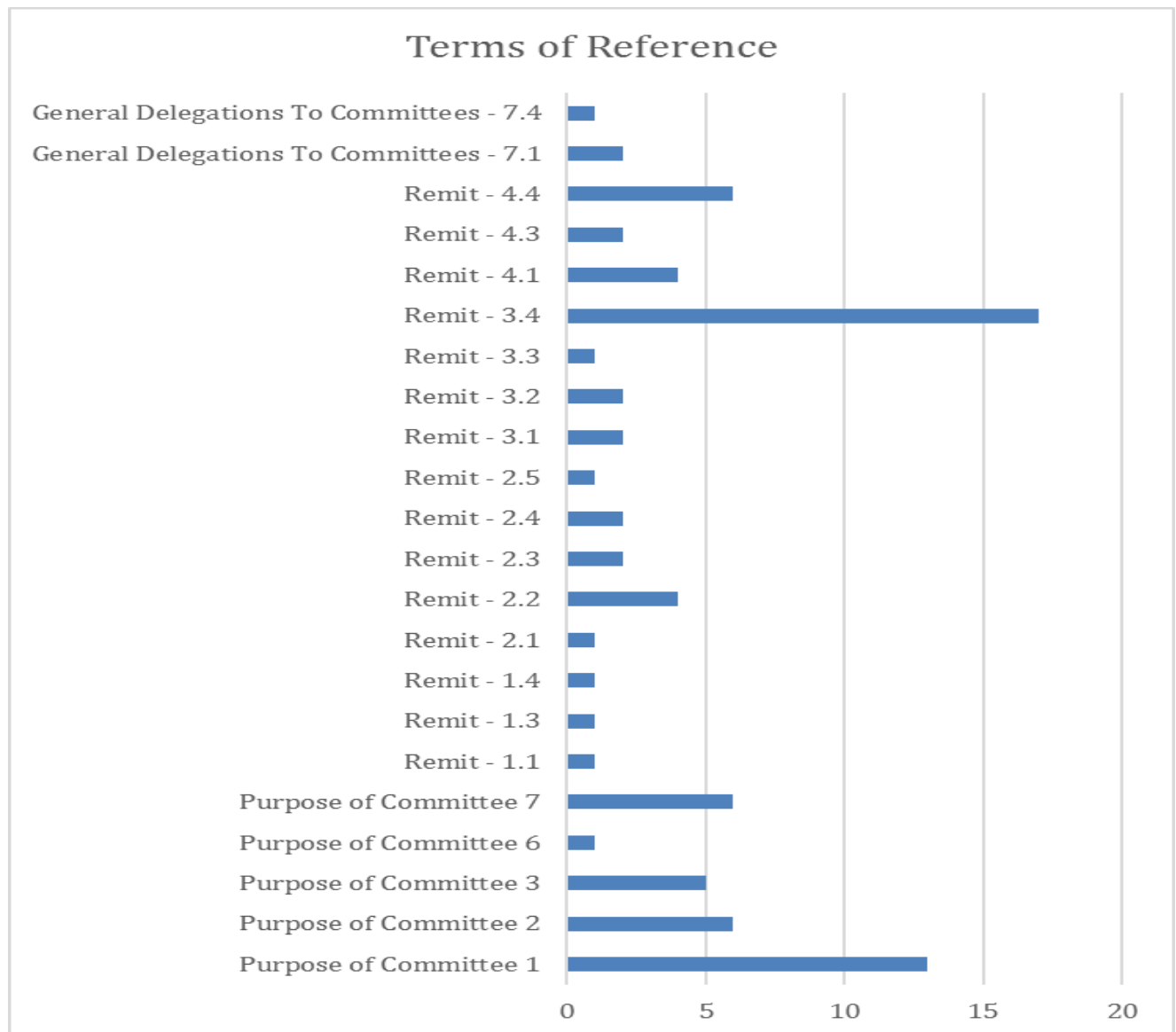
Member	Total Anticipated Attendances	Total Attendances	Nominated Substitute
Councillor Laing, Convener	6	5	1, Councillor Grant
Councillor John, Vice Convener	6	6	
Councillor Cameron	6	6	
Councillor Duncan	6	6	
Councillor Flynn	6	5	1, Councillor Townson
Councillor Nicoll	2	2	
Councillor Sellar	3	3	
Councillor Wheeler	6	5	1, Councillor Lumsden
Councillor Yuill	6	5	1, Councillor Greig
Councillor Dunbar	4	4	
Councillor Donnelly	3	2	1, Councillor Lumsden

## 6. MEETING CONTENT

6.1 During the 2018/2019 reporting period (6 March 2018 to 29 April 2019) the Committee had 6 meetings and considered a total of 41 reports.

### 6.2 Terms of Reference

Of the 41 reports received the following table details how the reports aligned to the Terms of Reference for the Committee.



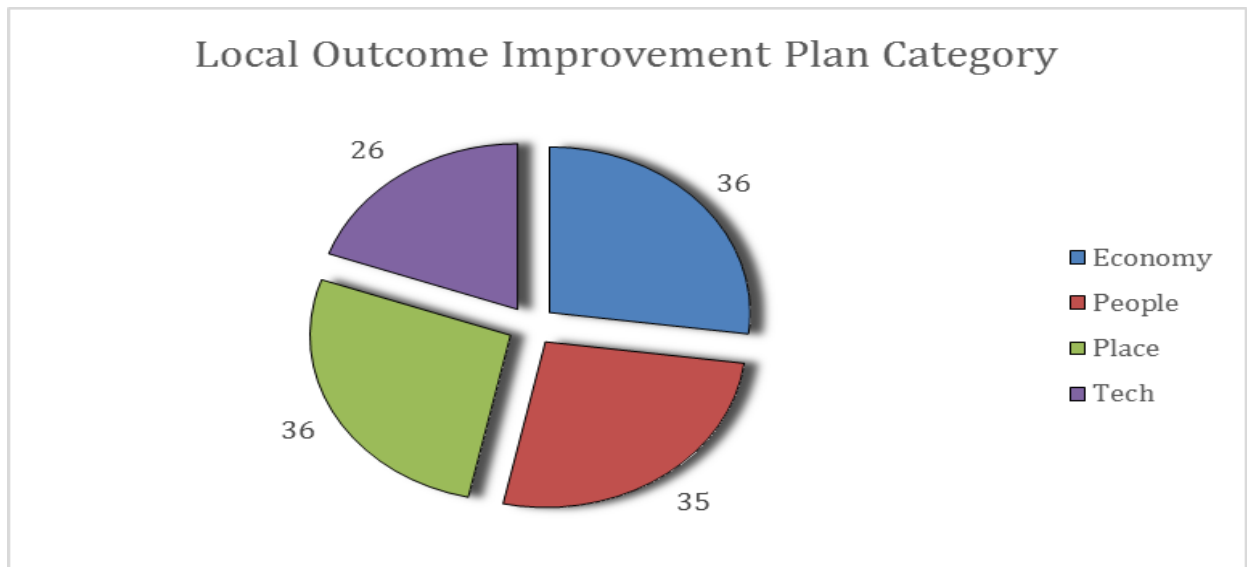
6.3 During the course of 2018-2019 the Strategic Commissioning Committee received reports under each of the four headings of the commissioning cycle, namely: analysis, planning, doing and reviewing. This would indicate that the Committee has begun to discharge its role throughout the course of the reporting period.

6.4 Most of the reports considered related to the approval of internal and external commissioning activity by way of procurement business cases. The Committee also considered potential efficiencies and improvements in quality and outcomes when reviewing all reports.

6.5 The Terms of Reference for the Committee were reviewed and updated to reflect the outcomes based commissioning report presented to the Committee in November 2018 which outlined the steps we will be taking over the next 18 months to embed commissioning across the Council. The updated Terms of Reference are now in effect, having been approved by Council on 4 March 2019. The commissioning intentions were approved by Council on 5 March 2019 and replaced the commissioning strategy terminology (purpose 4) used in the previous version of the Terms of Reference.

### 6.6 Local Outcome Improvement Plan

The following table details how many of the 41 reports had a link to the themes of the Local Outcome Improvement Plan.



### 6.7 Reports and Committee Decisions

The following table details the outcome of the Committee's consideration of the 41 reports presented to it throughout the year.

	Total	% Total Reports
Number of confidential reports	0	0.0%
Number of exempt reports	8	19.5%
Number of reports where the Committee has amended officer recommendations	1	2.4%
Number and percentage of reports approved unanimously	36	87.8%
Number of reports requested by members during the consideration of another report to provide additional assurance and not in forward planner	0	N/A
Number of service updates requested by members during the consideration of another report to provide additional assurance and not in forward planner	1	N/A

Number of decisions delayed for further information	0	0.0%
Number of times the Convener has had to remind Members about acceptable behaviour and the ethical values of Public Life	0	0.0%
Number of late reports received by the Committee	1	2.4%
Number of referrals to Council, or other Committees in terms of Standing Order 33.1	0	0.0%

### 6.7 Notices of Motion, Suspension of Standing Orders, Interface with the Public

	Total
Number of Notices of Motion	0
Number of times Standing Orders were suspended	0
The specific Standing Orders suspended	N / A
Number of deputations	0
Number of petitions considered	0
Number of Members attending meetings of the committee as observers	22
Number of Meetings held by the Convener with other Conveners, relevant parties, to discuss joint working and key issues being raised at other Committee meetings	Weekly meetings held

## 6 TRAINING REQUIREMENTS AND ATTENDANCE

7.1 Two development sessions were held for all elected members in respect of areas of responsibility for the Strategic Commissioning Committee.

7.2 The first session provided an overview of the function of the Committee and advised of the key aspects of the commissioning approach. It aimed to provide members with a greater understanding of (1) commissioning – what it is and how it works; and (2) their role in scrutinising information and what questions to ask when making commissioning decisions. 18 members attended the session.

7.3 The second session focused on the use of data and evidence. This session looked at the use of data and evidence, focusing on the role of elected members, throughout the 4 stages of a commissioning cycle:-

- Analyse
- Plan
- Do
- Review



- 7.4 The session examined the availability, quality and interpretation of data and its use to support evidence based decision making. 16 members attended this session which was run on 4 occasions.
- 7.5 A session on the refreshed Local Outcome Improvement Plan 2016-2026 was held on 13 March 2019 and 14 Councillors attended. Further sessions are scheduled for 7 May, 3 June and 5 September 2019. The session informed members about the changes in the refreshed Local Outcome Improvement Plan 2016-2026, the context behind the document and how we are planning to deliver it.
- 7.6 The following specific Scheme of Governance training, which is related to the operation of all Committees, was provided:
- Scheme of Governance Effective Decision Making on 23, 27 and 28 March 2018
  - Financial and Procurement Regulations on 23 and 29 March 2018
- 7.7 Training on the Councillors' Code of Conduct was provided in January and February 2018.

## 8 CODE OF CONDUCT – DECLARATIONS OF INTEREST

- 8.1 5 declarations of interest were made by Councillors during the reporting period. We measure this information to evidence awareness of the requirements to adhere to the Councillors' Code of Conduct and the responsibility to ensure fair decision making.

## 9 CIVIC ENGAGEMENT

- 9.1 On 5 March 2018, the Council agreed to endorse the values and principles of civic leadership and engagement as set out in that [report](#). The project is being delivered through the transformation programme and in accordance with the Committee's Terms of Reference it has considered a number of reports throughout the reporting period in order to progress the delivery of civic engagement. Notably, the Committee considered an overview of the current arrangements for engaging and consulting with customers and citizens following which the Director of Commissioning was instructed to:
- (i) undertake an audit and review of existing methods and activity of customer and citizen engagement and report back to the Committee with recommendations which:-
    - propose a planned and co-ordinated approach to future engagement and consultation, ensuring that this meets the needs of both the Council and customers and citizens;
    - identify and spread best practice;
    - demonstrate how this will inform future commissioning; and
  - (ii) take forward a joint review, including Council, civic and partner representatives to explore civic representation and involvement.

The outcome of the above review was presented to the Committee on 29 January 2019, and the Committee agreed the areas for improvement listed at paragraph 4.2 of that report. The findings of this review will be developed through the transformation programme and by March 2020, the Chief Officer – Early Intervention and Community Empowerment intends to implement the agreed areas for improvement agreed by the Committee. A further report on the customer/citizen review will be presented to the Committee in August 2019.



In addition to the above, the Committee also approved:

- (1) Participatory Budgeting (PB) Policy for delivering PB. The Policy was developed applying learning from local delivery and review of guidance and best practice and promoting civic engagement; and
- (2) Sustainable Procurement and Community Benefits Policy. The policy sets out the Council's approach to linking procurement with community benefits which is designed to maximise the significant potential to improve the social, economic and environmental wellbeing of our citizens and communities through our procurement activity. Progress made in the implementation of the policy and its application to the LOIP will be reported to the Committee in November 2019.

## 9.2 Population Needs Assessment/LOIP/Locality Plans/Partnership Working

The Committee received the refreshed population needs assessment to assist understand emerging trends. The assessment provided an important sense check to ensure that priorities for improvement continued to be grounded on what our communities need rather than what is nice to do. Thereafter, the Committee considered the refreshed LOIP, as well as the Community Planning Partnership's three priority localities annual reports.

# 10 OFFICER SUPPORT TO THE COMMITTEE

Officer	Total Anticipated Attendances	Total Attendances	Substitute Attendances
Director of Commissioning	5	4	0
Chief Officer - Business Intelligence and Performance Management	6	6	0
Head of Commercial and Procurement Services	6	6	0
Team Leader Legal Commercial and Procurement	6	6	0
Chief Officer - Finance	5	5	0
Director of Resources	3	3	0
Chief Officer - Digital and Transformation	2	2	0
Chief Officer - Governance	2	2	0
Director of Customer Services	1	1	0
Chief Operating Officer	1	1	0
Chief Officer - Capital	3	3	0
Chief Officer - Early Intervention and Community Empowerment	1	1	0
Chief Officer - Corporate Landlord	2	2	0
Chief Officer – Integrated Children's and Family Services	2	2	0

## 11 EXECUTIVE LEAD'S COMMENTS

- 11.1** As referenced in the Convener's opening remarks, one of the Council's transformation projects is to deliver the CIPFA Mark of Excellence in Good Governance. As part of this project, CIPFA recommended that each committee should annually review its effectiveness, including its information reporting needs. This would help ensure that each committee is following its terms of reference, is operating effectively and to identify any training needs or improvements to the Council's decision making structures.
- 11.2** The first year of the Strategic Commissioning Committee, and of the Commissioning function, has established an overall approach and related processes in relation to the transition to a commissioning organization. The stages of the commissioning cycle have been set and key elements of delivered, including the completion of a Population Needs Assessment; the refresh of the Local Outcome Improvement Plan; the approval of a Performance Management Framework which aligns the Council's commissioning intentions to outcome based performance; an initial review of our engagement with customers and citizens, as well as how communities can benefit from commissioning activity.
- 11.3** The Committee has considered business on each of the key elements of the commissioning cycle and would appear to be working effectively, noting that no decisions required to be delayed and the vast majority of business was approved/noted unanimously. The vast majority of business was able to be considered in public and, where this was not possible, there has been clear justification.

## 12 NEXT YEAR'S FOCUS

### **12.1 Area of focus from the Business Planner**

The focus of the Committee in 2019/20 will build on the key elements within the agreed strategic planning framework and commissioning cycle.

We will continue to bring intelligence and analysis to members. The Population Needs Assessment will be continuously updated, and we will bring further depth to analysis in priority areas, including an understanding of the nature of demand for council services. Community and customer engagement will continue to be a focus and work will be progressed on an analysis of key markets.

We will build on that intelligence and the alignment of commissioning intentions to outcomes, by developing and revising specifications for key areas of service, to ensure these are fully and sustainable supporting the agreed outcomes.

We will report on any significant changes to the Council's legislative duties in the context of strategic commissioning.

Commissioning workplans will be presented to the Committee giving a full and timely overview of the contracts and procurements which will be a focus for specific businesses cases throughout the year.

We will build on the outcome based approach to performance management, including annual reviews of performance in respect of the LOIP, Locality Plans and the Council's ALEOs. We will also strengthen the performance in delivering outcomes through the business cases presented to the Committee.

### **12.2 Budget Decisions**

The Council agreed commissioning intentions aligned to outcomes at its budget meeting on 5<sup>th</sup> March, 2019. The Committee, when approving procurement business cases and other commissioning activity, will ensure alignment to those commissioning intentions. Business cases will also be presented with full financial implications and advising members of their consistency with agreed budget decisions.

The Council at its budget meeting on 5<sup>th</sup> March, 2019 instructed the Head of Commercial and Procurement Services to bring forward a report on how best Aberdeen City Council can work with Aberdeen businesses to bring about positive collaboration to ensure Aberdeen citizens benefit from the many community involvement programmes that Aberdeen businesses already provide and this will be reported to the Committee in November 2019.

### **12.3 Policy Priorities**

As with budget decisions, where business cases relate to agreed policy priorities this will be explicitly stated for members' attention.

**12.4** Council on 4 March 2019 approved new Terms of Reference and a further review will be reported to Council in March 2020. Throughout the next reporting year, we will review the Terms of Reference in line with the business submitted to the Committee and reflect on whether any areas require refinement moving forward to ensure the efficient operation of the Committee.

## **STRATEGIC COMMISSIONING COMMITTEE**

### **PURPOSE OF COMMITTEE**

1. To approve all external commissioning activity by the Council, including the approval of service specifications, performance frameworks and outcomes. This includes where the Council commissions from its Arm's Length External Organisations (ALEOs).
2. To approve all internal commissioning activity of Council, including the approval of grants and associated conditions, service specifications, performance frameworks and outcomes.
3. To review annual workplans to be submitted by Directors and Chief Officers in accordance with the Procurement Regulations, which will specify every contract expected to be procured over the year ahead with estimated expenditure of £50,000 or more (supplies/ services) or £250,000 or more (works), and to approve business cases submitted along with the workplans, and any new business case submitted to Committee from time to time over the course of the year in the event of any new procurements being added to the workplan.
4. To prepare a Commissioning Strategy for the Council, to review the impact of all commissioned services and the extent to which they have achieved the outcomes intended and to approve improvement actions.
5. To approve a strategic commitment to invest in the prevention and reduction of the demand for services.
6. To approve the Council's strategic approach to joint and integrated commissioning across the public and private sectors to ensure that the needs of customers and citizens are met.
7. To identify potential efficiencies and improvements in quality and outcomes, including across partner organisations and public services.
8. To develop a role in the strategic allocation of resources to outcomes in consultation with the City Growth and Resources Committee.

### **REMIT OF COMMITTEE**

The following authority is delegated to the Committee under the four headings of the Commissioning Cycle:-

#### **1. Analysis**

**1.1** to commission a regular Population Needs Assessment to understand the needs which public bodies must address.

**1.2** to receive in-depth analysis of key groups, priorities and challenges across public

services.

- 1.3 to receive a service review, sufficiency and market analysis to understand existing and potential provider strengths and weaknesses, and opportunities for improvement or change in providers will be identified.
- 1.4 through appropriate forums, to consider the experience of customers and citizens.
- 1.5 to identify resources needed and risks involved in implementing change and/or continuing with the status quo.

The Council's Business Intelligence function will support the Analysis stage of the Commissioning Cycle.

## **2. Planning**

- 2.1 to review a Gap Analysis following the Public Needs Assessment which will identify which services are needed and which are available currently, and will provide guidance on how the gaps will be addressed within existing resources.
- 2.2 to approve commissioning intentions, outcomes and priorities as part of the annual business planning cycles.
- 2.3 to commission the development of a Strategic Outcomes Framework reflecting the Local Outcome Improvement Plan (LOIP), the views of customers and citizens, and the best evidence of effective interventions.
- 2.4 through appropriate forums, to ensure that services to be commissioned are co-designed to meet customers' needs.
- 2.5 to approve a Commissioning Strategy/Prospectus which identifies clear service development priorities and specific targets for efficient, effective, equitable and sustainable achievement.

The Council's Business Intelligence function and the Commissioning function will support the Planning stage of the Commissioning Cycle.

## **3. Doing**

- 3.1 to ensure that appropriate supply management and capacity building (market facilitation) is in place to ensure a good mix of resilient service providers, that offer customers an element of choice in how their needs are met;
- 3.2 through appropriate forums, to ensure that relationships with existing and potential providers are maintained and draw on partner expertise;
- 3.3 to ensure that the co-design of service specifications is based on the delivery of positive outcomes with a preventative focus on demand reduction; and
- 3.4 to approve procurement strategies to meet agreed outcomes to enable officers to purchase and contract services and to decommission services that do not meet the needs of the population group.

The Council's Commissioning function will support the Doing stage of the Commissioning Cycle.

#### **4. Reviewing**

- 4.1** to review information from individual contracts, specifications or service level agreements (including partners) in order to monitor the impact of services and the extent to which they have achieved the purpose and outcomes intended;
- 4.2** to commission reviews of agreed priority services and make recommendations to service providers, both in house and external, to further improve outcomes;
- 4.3** to receive an analysis of any changes in legislative requirements, population need and reviewing the overall impact of services to identify revisions needed to the strategic priorities and targets;
- 4.4** to monitor service delivery against expected outcomes and plans; and
- 4.5** to monitor the changing policy and strategic context to identify opportunities to work differently to improve outcomes.

The Business Intelligence function and the Commissioning function will support the Reviewing stage of the Commissioning Cycle.

#### **JOINT WORKING WITH OTHER COUNCIL COMMITTEES:**

The Committee will maintain an awareness of key issues arising through the work of other committees of the Council, through lead officers, conveners and vice conveners working together. Specifically:

- 1.** the Strategic Commissioning and the City Growth and Resources Committees will cooperate to ensure that resources are allocated strategically to support outcomes.
- 2.** the Strategic Commissioning and the Operational Delivery Committees will cooperate to ensure that the internally commissioned services have clear service specifications which identify contributions to the LOIP outcomes and that sufficient funding is available to deliver the service specification.

#### **JOINT WORKING WITH NON COUNCIL BODIES:**

This Committee is outward facing and will engage with appropriate forums to engage with partners, the third sector and communities in order to ensure a joint and integrated commissioning approach.

**Executive Lead: Director of Commissioning**

