

Report of:	Cabinet Member for value for Money and Efficiency
To:	Corporate Resources Overview and Scrutiny Committee
Date:	26th September 2016

Progress Report on Implementation: Council Commissioning and Third Sector Organisations

Review Information

Date approved at City Council:	14 April 2015
Member who led the original review:	Councillor NarinderKaur Kooner
Lead Officer for the review:	Benita Wishart
Date progress last tracked:	First tracking – 27 Oct 2015

1. In approving this Review the City Council asked me, as the appropriate Cabinet Member for Commissioning, Contracting and Improvement, to report on progress towards these recommendations to this Overview and Scrutiny Committee.
2. Details of progress with the remaining recommendations are shown in Appendix 2.
3. Members are therefore asked to consider progress against the recommendations and give their view as to how progress is categorized for each.

Appendices

1	Scrutiny Office guidance on the tracking process
2	Recommendations you are tracking today
3	Recommendations tracked previously and concluded

For more information about this report, please contact

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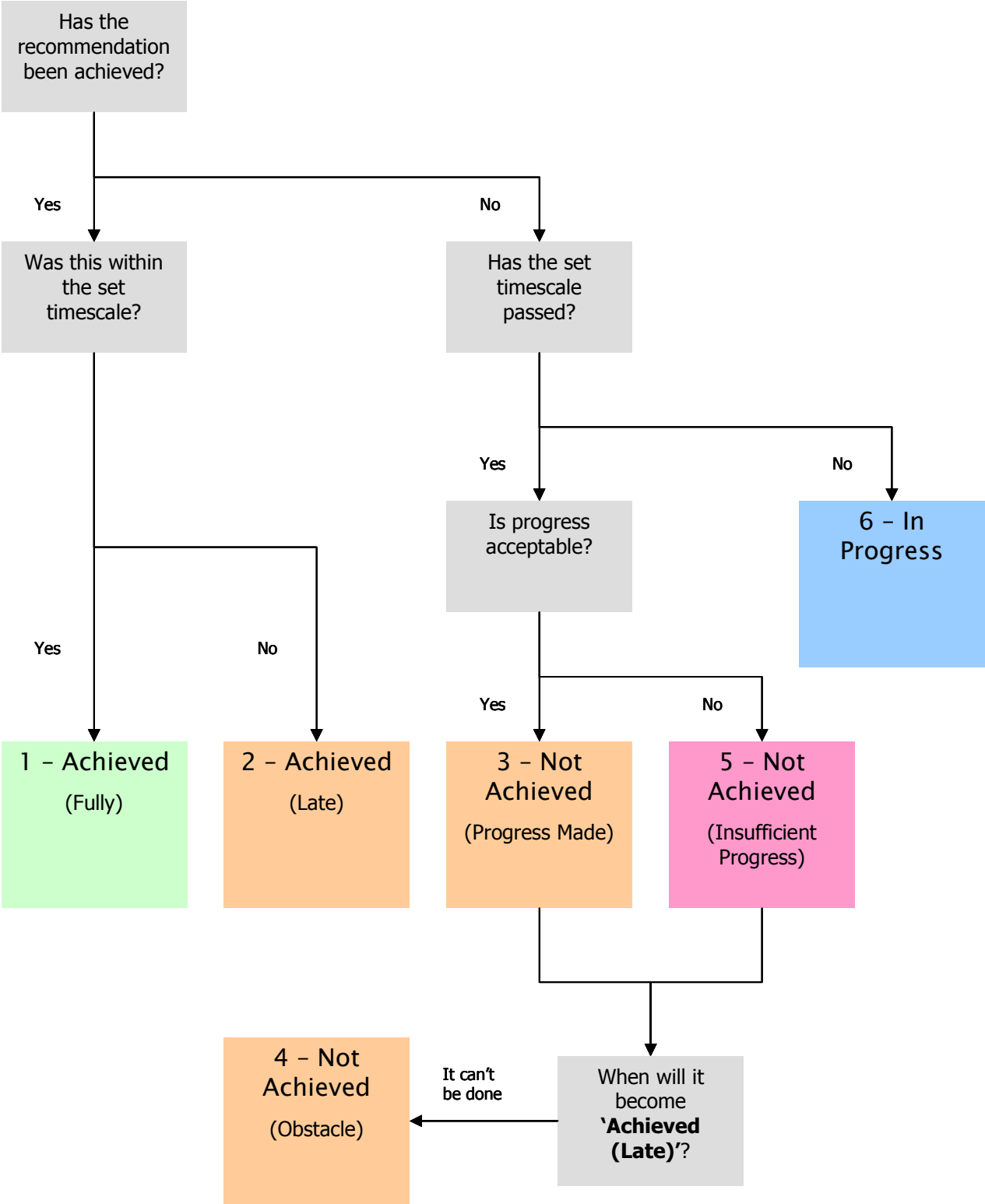
Appendix 1: The Tracking Process

In making its assessment, the Committee may wish to consider:

- What progress/ key actions have been made against each recommendation?
- Are these actions pertinent to the measures required in the recommendation?
- Have the actions been undertaken within the time scale allocated?
- Are there any matters in the recommendation where progress is outstanding?
- Is the Committee satisfied that sufficient progress has been made and that the recommendation has been achieved?

Category	Criteria
1: Achieved (Fully)	The evidence provided shows that the recommendation has been fully implemented within the timescale specified.
2: Achieved (Late)	The evidence provided shows that the recommendation has been fully implemented but not within the timescale specified.
3: Not Achieved (Progress Made)	The evidence provided shows that the recommendation has not been fully achieved, but there has been significant progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
4: Not Achieved (Obstacle)	The evidence provided shows that the recommendation has not been fully achieved, but all possible action has been taken. Outstanding actions are prevented by obstacles beyond the control of the Council (such as passage of enabling legislation).
5: Not Achieved (Insufficient Progress)	The evidence provided shows that the recommendation has not been fully achieved and there has been insufficient progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
6: In Progress	It is not appropriate to monitor achievement of the recommendation at this time because the timescale specified has not yet expired.

The Tracking Process



Appendix 2: Progress with Recommendations

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 01	<p>In collaboration with third sector organisations (including any representative bodies) evaluate the existing City Council commissioning and related toolkits to ensure that a refreshed operating model:</p> <ul style="list-style-type: none"> a) Recognises that suppliers can help inform the City Council about user priorities, market capabilities and delivery options; b) Ensures toolkits are implemented and applied consistently across the City Council; c) Has the principles of tackling poor performance and practice (supported by clear measurement of outcomes); d) Recognises and meets the requirements of the new Public Contracts Regulations 2015 with particular emphasis on improving access to opportunities for the third sector; e) Demonstrates commitment to joint learning and improvement based on good practice achieved over the years to underpin this work; f) Builds in opportunities for co-commissioning approaches with the third sector; g) Enables and encourages robust proposals from consortia including third sector organisations; h) Ensures that any variation of composition of a consortium team should not vary from that which was procured without reasonable justification and due diligence; and i) Ensures that during the procurement process that checks proportionate to the perceived risk are made to see if an organisation is getting funding from another part of the City Council or from other organisations. <p>The focus of this report is the third sector. None of these recommendations need to be exclusive to the third sector, but no evidence gathering was carried out with small and medium enterprises (SMEs).</p>	<p>Cabinet Member for Commissioning, Contracting & Improvement</p> <p>in consultation with the Third Sector Assembly</p>	<p>Interim evaluation Report – October 2015</p> <p>Completed January 2016</p>	<p>1 – Achieved Fully</p>
Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')				

- a) The commissioning team has consulted with BVSC regarding the “Introduction to Commissioning” toolkit; the feedback was that it is very useful and provided a good framework for conversations between Corporate Procurement Services, the Commissioning Centres of Excellence and the Third Sector through the Third Sector Assembly networks.

It was agreed that in considering the various commissioning options it would be good to see if “commissioning conversations” with key providers about changes to service delivery could form part of these. This could be achieved via Service Provider Networks (the Assembly Networks might also be used)

Following this consultation the ‘Introduction to Commissioning’ toolkit is now being updated to reflect BVSC’s comments and will then be initially discussed with the Third Sector Assembly and their respective category Champions for Housing and Regeneration and Health and Social Care.

- b) Training programmes continue to be implemented across the Council to ensure awareness of current best practice and consistency of application.
- c) Tackling poor performance and practice is covered separately in the contract management toolkit.

Update – Sept 2016

Contracts state service providers’ obligations in delivering the service, KPIs being measured, contract review processes, payment processes, financial measures that can be applied if there is a service failure/performance issue, grounds for payment reductions or termination etc.

- d) The council complies with the requirements to publish contract opportunities over £25k on Contracts Finder, whilst still publicising all opportunities over £10k on FIIB. We have gone beyond requirements of PCR 15 which has set turnover at no more than 2 times value. We have not defaulted to this & sometimes go below this level.
- e) The toolkit is continually being improved/developed to capture best practice. See (a).

- f) The toolkit builds this in as co-production and is managed through market engagement at the commissioning stage. E.g. projects where co-commissioning exists includes shared funding such as Big Lottery and the Think Family / Action for Children.

Examples of this collaboration include with the University of Birmingham, Solihull MBC and the Third Sector to deliver Sexual Health advice and separately with the Health Service & the Third Sector to provide School Health advisory services.

- g) The Commissioning toolkit includes market consultation and shaping to deliver the services. Consortia can be in various forms, some are lead providers, whilst others are partner providers. A recent example being the Legal Entitlement Services.
- h) The services terms of contract item 6.1.2 states “the Services shall be performed by personnel previously approved by the Council and as may be listed in PART 6 of the FIRST SCHEDULE to this Agreement. The Provider shall neither remove nor replace any approved personnel without the prior written consent of the Council which consent shall not be unreasonably withheld or delayed.” This is mirrored in item 3.7.2 of the Consultancy Terms of Agreement.
- i) The following wording is included:
- The current Third Sector Grant Funding Framework & Toolkit - Appendix 1: Grant funding Application Form item 3.1 states “Are you receiving or budgeting to receive any other contributions towards the cost of the project (e.g. user charges and donations from other sources) from the council or any other organisation?”
 - The current Conditions of Grant Aid includes the item A8.2: “If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient’s accounts.”
 - The proposed small grants application for <£1k includes the question in Section C: “Please give details of other organisations supporting your project and indicate whether any funding has already been committed by these organisations.”
 - The proposed Commissioning Application Form - Small Grants (£1k-£10k) will require the applicant to state any other expected or confirmed grant cash income and its source. (NB this is a refresh of the

current application form <£5k and the same question is included there also.)

- The proposed Conditions of Grant for £1k to £10k includes the clause 5.3.4 – “If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient’s accounts.”
- The quotation document and tender document templates now include a question that states “The [Quotation Provider/Tenderer] must inform the Council if they are receiving funding to undertake similar or related activities to that defined in this procurement exercise. Please provide details with your [quotation/Tender] in the table below.

Funder.....
Funding Activities.....
Date.....
Period of Funding.....”

This can be followed up by the procuring officer as required to ensure there is no duplication.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member’s Assessment
R 02	<p>The City Council to improve communications and relationships with the third sector in a variety of ways:</p> <p>a) That all commissioners review how they manage relationships with third sector organisations to include a commitment to work with them at the earliest planning stage of both commissioning and decommissioning through greater use of trusted sources (which could be from the Third Sector Assembly) - in line with the City Council’s toolkit;</p> <p>b) To improve communication with the third sector on commissioning and procurement opportunities and explore further use of social media and other City Council communication channels. This should include making better use of Find it in Birmingham or any successor portal and in publishing outcomes of procurement exercises – following consultation about the content and where would be accessible with the third sector; and</p> <p>c) To improve communication to councillors (e.g. on a monthly or bimonthly basis) to allow them to signpost third sector organisations.</p>	<p>Cabinet Member for Commissioning, Contracting & Improvement</p> <p>in partnership with Executive Members for Local Services</p> <p>And in consultation with the Third Sector Assembly</p>	<p>Interim report October 2015</p> <p>Completed April 2016</p>	1- Achieved Fully

Evidence of Progress (and Anticipated Completion Date if ‘Not Achieved’)

- a) The Commissioning toolkit requires that commissioners engage at the earliest planning stage. See updated commitment in R02 part a). Recent examples would be – HIV, Sickle Cell, in terms of determining the most appropriate funding stream. The approach was agreed with providers and developed the pathway – better outcomes, better journey for the customer, providers working together etc.

Another example during the 2015/16 budget consultation – providers of Legal Entitlement Advice Services came forward challenging the proposed decommissioning of the service. As a result a large element of the budget was re-instated in 2015/16 with the view to it being halved for a new delivery model in January 2016. This ‘extension’ was done on the basis of the Third Sector coming together with the council to develop a new delivery model from January. The Third Sector led on an advice strategy paper and the council then reviewed its commissioning approach to see how it could get from the current position to one which moved closer to the approach in the strategy. There have been further meetings with the advice sector with discussion on both the strategy and the

commissioning approach.

Update – Sept 2016

Nigel Kletz and Angela Probert met with third sector champions and the outputs from those meetings are being incorporated into ongoing work including review of the commissioning strategy.

- b) The Council now advertises all opportunities over £25K onto Contracts Finder (as well as FIIB) in compliance with the Procurement Contract Regulations 2015. Social media is used by Ice Blue to promote events and opportunities. We're currently discussing opportunities to improve the FIIB website with Ice Blue, however this won't extend to publishing outcomes as this is made available on the Council's website.
- c) Weekly activity reports to summarise the current opportunities are now set up and will shortly be issued to Councillors.

Update – Sept 2016

A weekly email is issued by Corporate Procurement to all BCC Councillors with a list of all live procurement opportunities posted on FinditInBirmingham. This includes that of the council, our supply chain and other public sector organisations and Councillors are asked to make local businesses aware of any relevant procurement opportunities open to them.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 03	<p>In reviewing and growing the use of the Birmingham Business Charter for Social Responsibility (BBC4SR) to ensure that organisations of all sizes are able to sign up to it and to:</p> <ul style="list-style-type: none"> a) Give consideration to the social value that third sector organisations already deliver to reflect the particular value of third sector organisations more clearly; b) Explore with Birmingham Voluntary Services Council (BVSC) how the third sector can become recipients of BBC4SR, such as with a portal bringing together needs and offers; c) Consult the third sector as part of the review of the Charter; and d) Utilise councillors' knowledge of local organisations. Councillors should also encourage local organisations to subscribe to Find It In Birmingham (FIIB) and the BBC4SR. 	<p>Cabinet Member for Commissioning, Contracting and Improvement</p> <p>In consultation with the Third Sector Assembly</p>	October 2015	2 – Achieved Late

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) Social Value is assessed as part of a tender evaluation and takes account of the tenderer's proposals. The delivery of Social value has to be relevant and proportionate to the contract.
- b) The 'Partners in Communities' principle within the Birmingham Business Charter includes supporting community organisation and projects. There are examples of action plans that include such commitments.
- c) The consultation is delayed to consider measures that may enhance the effectiveness of the Charter and reduce complexity thus improving resource efficiency.

Update – Sept 2016

Consultation with Third Sector organisations took place on 19 August through a workshop held at BVSC, the consultation survey has been widely promoted and runs until 30 September.
<https://www.birminghambeheard.org.uk/economy/9768a656/consultation/intro/view>

d) Promoted the use of FIIB and the BBC4SR at the Councillors' Marketplace. Also see R02c.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 04	To a) Review what should be the enabling role of the Future Council in supporting the third sector. b) Explore opportunities for ensuring smaller third sector organisations are equipped to be part of the supply chain.	Cabinet Member for Commissioning, Contracting and Improvement	October 2015	2 – Achieved Late

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

a) The Future Council Outward Looking Partnerships work has yet to arrive at any recommendations regarding this.

Update – Sept 2016

Engagement with the third sector is ongoing and examples include The Birmingham Business Charter for Social Responsibility, The ICT&D Strategy, the Workforce Strategy and the Commissioning strategy.

b) The following support this point:

a. Breakfast meetings are held monthly:

- i. Nov 15: a HS2 supply chain special
- ii. Dec 15: "meet the buyer" with Carillion
- iii. Jan 16: Budget presentation.
- iv. Feb 16: Willmott Dixon "meet the buyer" for building the new college for high speed rail engineers.
- v. March 16: Kier "meet the buyer" event for Housing growth.
- vi. Previously 3 other Charter events were organised with Localise West Midlands with approximately 35 Third Sector organisations attending.

Breakfast meetings continue to be organised and communicated and are very well attended.

c) In 2014/15 financial year £27.5M was spent with the Third Sector. In the first 6 months of 15/16 the spend was £16.2M.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 05	Progress towards achievement of these recommendations is reported to the Partnership, Contract Performance and Third Sector Overview and Scrutiny Committee in October 2015. The Committee will schedule regular progress reports until all agreed recommendations are implemented.	Cabinet Member for Commissioning, Contracting and Improvement	October 2015 January 2016 September 2016	1 – Achieved Fully

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

Progress is now being tracked by the Corporate Resources Overview and Scrutiny Committee, this report was presented to this committee on 27 October 2015 and this update is now submitted for the committee's consideration.