

Mid-Year Review 2016/17 – 2020/21

Directorate: People

Service/Service Area: Commissioning Centre of Excellence – Review payments for out of contract services. Renegotiate all contracts except small value items

• Description of Service

In 2015 the Directorate established a Commissioning Centre of Excellence (CCoE) to manage the commissioning and contractual functions relating to universal and prevention, prevention and complex, complex and statutory services, which covers adult and children's' commissioning. The Centre currently manages over 200 contracts.

1. Proposed changes

- It has been identified that some services are out of contract. The CCoE will suspend/cease payments and review these contracts to establish whether they are
 - still required and meeting strategic priorities
 - meeting citizens needs
 - offering value for moneyIf services are still required these will be procured through the formal governance routes.
- All other contracts except any small value items will be reviewed and, where appropriate, renegotiated to ensure that they continue to be affordable against our commissioning intentions and finances available.

2. Level of savings expected from the proposal

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Gross saving	77.5	TBC	TBC	TBC	TBC
Less revenue implementation costs					
Net saving	77.5	TBC	TBC	TBC	TBC
Less saving already shown within LTFP					
New saving generated	77.5	TBC	TBC	TBC	TBC

3. How will these savings/budget reductions be made?

The £77.5k relates to services identified so far that are out of contract and where it has been identified that the arrangement should be ceased. However, further savings maybe realised from contractual negotiations that may yield further savings for 17/18 onwards. Until contract negotiation work has been undertaken we would be unable to confirm any savings beyond 16/17.

4. Head Count/FTE implications

NOT APPLICABLE

	Staffing changes									
	2016/17		2017/18		2018/19		2019/20		2020/21	
	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount
GR1	NIL		NIL		NIL		NIL		NIL	
GR2	NIL		NIL		NIL		NIL		NIL	
GR3	NIL		NIL		NIL		NIL		NIL	
GR4	NIL		NIL		NIL		NIL		NIL	
GR5	NIL		NIL		NIL		NIL		NIL	
GR6	NIL		NIL		NIL		NIL		NIL	
GR7	NIL		NIL		NIL		NIL		NIL	
JNC	NIL		NIL		NIL		NIL		NIL	
Other	NIL		NIL		NIL		NIL		NIL	

5. Implications of the proposal on Service Users

We are currently reviewing all services out of contract / all contracts to be renegotiated to establish what is being delivered and whether there is a need to re-procure and whether service users could be affected. There will need to be consultation with service users on any changes which are proposed as a result of these reviews, where service users may be directly affected.

6. Implications of the proposal on Outcomes

We are currently reviewing all services out of contract to establish whether they are required and how they have been procured. Along with all contracts to be renegotiated to establish what is being delivered and which service outcomes could be affected.

7. EIA No & date of assessment

An initial equalities impact assessment is being prepared

8. Implementation Plan

Out of contract services – these are low risk therefore immediate action will be taken to cease payments. We will agree a consistent approach and communications (including reporting to Cabinet members). The review has commenced and any actions will be carried out in line with any decisions made by Cabinet on 20th September 2016.

Contract Negotiations – we are working jointly with colleagues to develop and agree a contract negotiation approach that will be applied consistently and equitably across all contracts. Cabinet members will be kept informed.

Consultation

Consultation may be required dependent upon review of services.

9. Sign Off

Service Director	Comments Signature Date
Directorate Finance	Comments Signature Date