

Committee: **Executive Committee**

Date of meeting: **15th December 2021**

Report Subject: **Commercial Strategy Quarterly Performance Monitoring (July – September 2021)**

Portfolio Holder: **Councillor Nigel Daniels, Leader and Executive Member for Corporate Services**

Report Submitted by: **Bernadette Elias, Chief Officer Commercial & Customer**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
w/c 15/11/21	18/11/21	30.11.21			10/12/21	15/12/21		

1. **Purpose of the Report**

- 1.1 To provide the quarter 2 (July- September 2021) progress update against the Commercial Strategy.

2. **Scope and Background**

- 2.1 The Commercial Strategy approved by Council in 2020, sets out key themes which support a commercially minded organisation:

- A focus on the residents' experience of existing and new services;
- An understanding of our investments including return on investment (benefits), profits and losses;
- Developing our brand, trusted to deliver quality services;
- Spend control;
- Using data, technology and insights wisely;
- Having an agile workforce aligned to opportunities

- 2.2 Our commercial approach is driven by the ambitions within the strategy:

- Excellence in Commissioning and Procurement;
- Creation of an investment Portfolio;
- Managing commercial activities through profit and loss accounting;
- Creation of a Commercial and Entrepreneurial Culture;
- Excellence in Contract and Supplier Management.

- 2.3 The strategy delivery involves all Directorates of the Council. Although the impact of the pandemic continues to affect some elements, considerable progress continues to be made in quarter 2 (July- September). The key activity is summarised in Section 6.

3. **Options for Recommendation**

3.1 This report will be presented to the Corporate Overview Scrutiny Committee on 10th December 2021, and any feedback will be presented verbally to the Executive.

3.2 **Option 1:** The Executive accepts the performance of the Commercial Strategy during Quarter 2 as presented.

3.3 **Option 2:** The Executive provides comments and challenges the performance of the Commercial Strategy during Quarter 2.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 The Commercial Strategy supports the future sustainability of the organisation, the Corporate Plan and the priority to be '*An ambitious and innovative council delivering the quality services we know matter to our communities*'.

4.2 It is aligned to the Medium Term Financial Strategy, the Bridging the Gap programme and supports the Well Being Plan and the Well-being of Future Generations (Wales) Act 2015.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

A number of the digital projects have attracted Welsh Government funding and this is being used to support our digital ambitions aligned to the Commercial Strategy.

5.1.1 It is intended that this strategy complements and supports the Medium Term Financial Strategy and key aspects of its delivery are included in the Bridging the Gap Programme (BtG).

5.1.2 In support of Bridging the Gap 3rd party spend review, cashable savings of £50,000 have been realised within Quarter 2 as a result of contract management fees and/or spend rebates, and is reported through the normal budget monitoring arrangements.

5.2 ***Risk including Mitigating Actions***

The risks associated with underperformance against the strategy will be mitigated through a whole Council adoption of the ways of working.

5.3 ***Legal***

The Head of Legal and Compliance is a member of the Strategic Commercial and Commissioning Board. Where alternative delivery models are explored due diligence will be undertaken before any decisions are made.

5.4 **Human Resources**

Where changes in service delivery or role are identified normal human resources processes and policies will be applied including consultation with the Trade Unions.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

Key activity undertaken in quarter 2 (July to September 2021) is set out under the relevant themes in the Commercial strategy.

6.1.1 **Excellence in Commissioning and Procurement**

- Procurement officers continue to engage with service areas to deliver the 2021/22 procurement programme;
- To support the Bridging the Gap (BtG) third party spend review, commercial opportunities are considered as part of each sourcing exercise. This includes financial, social and environmental considerations ensuring our sourcing activities;
- Pre-procurement and contract award reports are submitted to the Strategic Commercial Commissioning Board (SCCB), to ensure effective check & challenge;
- The Corporate Purchase Card programme continues to expand as an alternative payment methodology. The programme affords suppliers better cash flow and includes an annual 1% rebate which contributes to the BtG savings target. In summary, we currently have 55 cards in the programme and a year to date spend of £1,236,931 as compared with a spend of £965,117 for the same period in 2020/21;
- The Council either leads and/or participates in a number of collaborative procurement arrangements which includes management fees and/or spend rebates.

6.1.2 **Procurement Plans and Contract Management**

- The 2021/22 corporate procurement forward work programme has been approved by SCCB and is subject to the agreed check and challenge process;
- Proactive pre-procurement dialogue with client officers is taking place, to ensure that new sourcing requirements are aligned to Council priorities and that procurement documentation and contract terms are commercially favourable;
- Supplier/client contract management meetings are continuing to ensure contracts and performance remain fit for purpose and realise the intended social, environmental and economical outcomes;

- Progress against 3rd party spend BTG strategic business review will be reported through the normal BTG reporting process;

6.1.3 Procurement Strategy and Policy

- Work is progressing to review the current Procurement Strategy to ensure it considers all relevant key policy drivers within our sourcing and commissioning strategies including, the Well-being of Future Generations, Social Value, Foundation/Circular Economy and Decarbonisation (Carbon Neutral by 2030). A revised procurement strategy will be presented in 2022 to the new Council.

6.1.4 Customer Experience

Delivery of the Community Hubs Approach

- The community hubs delivery model commenced at the end of quarter 1 on 21st June 2021 with the full schedule of delivery commencing on 26th July 2021, in line with revised national restrictions.
- Revisions to the schedule to increase presence in some venues have been undertaken as the approach has embedded.
- The majority of residents using the hubs have been unable to self-serve with 50 residents being able to self-serve and 924 residents unable to self-serve during the quarter. Work has progressed on how the Community Hubs staff are able to support residents to self-serve where able to, further update to be provided in q3.
- Following Member and officer feedback on channels to promote the hubs, a proactive leaflet drop exercise in venues across the borough to promote the service has been undertaken.
- This has supported an increase in residents using the hubs, with 974 being supported through the Community Hubs model in q2. A break down is summarised below in 4 of the venues;

Venue	Footfall July	Footfall August	Footfall Sept
Abertillery library	20	89	87
Brynmawr library	17	54	55
Ebbw Vale library	39	133	110
Tredegar library	39	110	112

Cwm, Blaina and Llanhilleth venues have also seen an increase in visits linked to the revised schedule.

- The main requests for support to date continue to relate to Blue Badge Applications, Bus Pass applications (which has seen an increase in requests), Benefit applications and Council Tax enquiries
- Proactive work has commenced at end of q2 with further update to be submitted in q3 around the number of residents affected by the £20 loss in Universal Credit payments
- A further sample of case studies from the Community Hubs service delivery are included in appendix 1.

6.1.5 **Locality Response Team**

The Locality Response Service has clear links into the Community hubs model. Early planning on how the two areas align and complement each other moving forward has begun and will be reported in future quarter updates.

- 69 residents have been supported throughout the quarter with a wide range of assistance given from food shopping to supporting residents to apply for grants
- 39 residents contacted and supported to isolate due to shielding
- 35 referrals made to food bank for food parcels
- 29 referrals for fuel bill support
- 3 referrals to Citizens Advice for support with debt and budgeting

6.1.6 **Customer Services**

Key activity for the quarter includes:

- Following feedback, a review of the out of hours' service was undertaken which resulted in a local provider delivering the "out of hours" service from July 2021. This is offering an improved position and performance of the service.
- A training plan has been developed for Customer Services staff linking into Call Centre Management framework
- Review and development of key Performance Indicators to monitor the service delivery within the Contact Centre is progressing;

Total calls taken by Contact Centre in quarter 2	16,897
Average queue time for calls per in quarter 2	2 minutes 17 seconds

Benefit Service delivery

876 applications were received in respect of the Self Isolation Payment Scheme in the quarter, of which 534 were eligible and 226 were not eligible, 116 in process of being assessed for eligibility and will be included in q3 update

1739 applications were received in respect of the Clothing grant scheme which opened on 27th July 2021, of which 1317 were eligible and 422 were not eligible

6.1.7 *Using data insights and technology wisely*

Digital – external projects

- Working with the Centre for Digital Public Services (CDPS) to deliver better public services for Wales, funding has been secured to explore more user focussed and efficient ways of service delivery.
- Participation in a collaborative Adult Social Care project with Neath Port Talbot and Torfaen local authorities, looking at unavoidable contact at the front door. In Q2 testing and user research continues to progress.
- Continued participation in the Tech Valleys funded project, digital apprentice appointed and supported Digital projects. New content developed for front facing website and online tool developed for data interrogation. Final presentation to Tech Valleys Board in Q3 when project draws to a close
- The Digital Democracy Project discovery work involving user research with 16-25 year olds has been completed. Findings from the research have been included within the Diverse Council Action Plan which was agreed by Council. The action plan will also be included on the work programme of the Democratic Services Committee.

6.1.8 Digital - Organisational programme

- A planned 12-month digital programme has been set scoped. This includes (in addition to the externally supported digital projects)
- Corporate Digital Projects – linked into the Civic Centre closure and the move of server to vantage.
- Internal projects – supporting planning, street scene, Starters, leavers and movers process and Insurance claims

- Corporate activity aligned to the ICT investment roadmap and maximisation of Office 365
- Development of a Strategic Programme for Service Transformation and Digital and the creation of an internal network to develop a programme of work – updates to be provided in Q3 and Q4
- Development of a leadership and training programme for officers and Members raising awareness and understanding of the scope and opportunities of our digital ambitions and activity and creation of Digital champions to support the new agile operating model, build corporate resources for our Digital Programme and support the bridging the gap themes.

The Council's new hybrid meeting system has been installed at the General Offices and from September the full schedule of formal committee meetings (excluding full council due to continued national restrictions aligned to the pandemic) is operational using a hybrid model whereby attendees can either be present physically or remotely. Meetings are currently recorded and then uploaded onto the website. Work is being undertaken to operate live meetings and this is planned for early 2022.

Data and intelligence hub

- The establishment of an internal hub of officers from all Directorates has progressed, led by the corporate policy and performance teams. This work supports the enabling Bridging the Gap review of using data and behavioural insight. The use of data in a more insightful way was one of the key learning points from the organisational reflection on the response to the Pandemic. The intelligence hub looks to build on this ambition, gaining a better understanding of what our data tells us and how that impacts on services for our communities.
- User research, which forms a key part of our digital and customer approach will also be supported by the hub, with training opportunities via the WLGA taken to build our internal capacity on undertaking user research.
- The Council has also been successful in working with Data Science Academy Students from Cardiff University. The placements are currently looking at data to support the Community Hubs model and also Contact Centre.

6.2 *Expected outcome for the public*

Through the delivery of the strategy the Council will become more effective in the deployment of its resources to ensure value for money is achieved and investments are made in activities that deliver the best outcomes for the public. This strategy will also contribute to the financial resilience and sustainability of the organisation, therefore protecting front line services.

- 6.3 ***Involvement (consultation, engagement, participation)***
As a key part of the commissioning cycle to ensure service specifications take account of the needs of service users. Any changes to service delivery models will be consulted on in the usual way.
- 6.4 ***Thinking for the Long term (forward planning)***
This strategy is at the heart of the medium and long term planning for Blaenau Gwent and recognises not only where the Council needs to seek new income streams but also where it needs to review how it deploys its current expenditure.
- 6.5 ***Preventative focus***
The Commercial Strategy is designed to support the needs of the Council now and in the future, including supporting financial resilience.
- 6.6 ***Collaboration / partnership working***
There are opportunities through this strategy to consider commercially advantageous ways of working across local authorities and the Public Service Board. This strategy seeks to identify commercial opportunities to work with suppliers across public sector organisations and to spend the Blaenau Gwent pound wisely.
- 6.7 ***Integration (across service areas)***
The strategy takes a whole council approach. It promotes transparency across the organisation, building best practice outside of directorate silos and promotes the maximising and sharing of skills and learning.
- 6.8 ***Decarbonisation and Reducing Carbon Emissions***
The planned review of the corporate procurement strategy will include consideration of how it can better support the decarbonisation ambitions set out in the Council's plan.

The work with CLES outlined in the report also involves this key policy driver.

The community hub model brings access to services closer to the community residents live in. The democratic hub hybrid meetings enable remote access to committee meetings.

- 6.9a ***Socio Economic Duty Impact Assessment***
The CLES project outcome is to maximise procurement spend in Wales to support local wealth building and to creating a more resilient Welsh economy.

The community hub model includes support, advice and guidance for residents to access financial support they may be entitled to.

- 6.9b ***EqIA***
Screening for impact on protected characteristics will be undertaken as per usual procedures. In addition, individual procurements consider the ability

to realise social, environmental and economic benefits through the inclusion of Community Benefits and Social Value contractual clauses.

7. Monitoring Arrangements

- 7.1 Quarterly progress is reported through the democratic process.
The strategic commercial and commissioning board monitors activity set out within its terms of reference.
Grant funded projects specify monitoring arrangements which will be complied with.

Background Documents /Electronic Links

Appendix 1 - Community Hub case studies