

Committee: **Executive Committee**

Date of meeting: **16th June 2021**

Report Subject: **Commercial Strategy Quarterly Performance Monitoring**

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

Report Submitted by: **Bernadette Elias, interim Chief Officer Commercial**

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 22/3/21	25/3/21	28.05.21			16/4/21	16.06.21		

1. Purpose of the Report

- 1.1 To provide the quarter 4 (January- March 2021) progress update against the Commercial Strategy.

2. Scope and Background

- 2.1 The Commercial Strategy, approved by Council in September 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 activities are 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 These are delivered through the Commercial Services Team but clearly involve all services, suppliers and partners. The response to Covid-19 pandemic has, and continues to have, an impact on the delivery of the strategy. Despite this, substantial progress has been made in quarter 4, with the key activity summarised in section 6.

3. **Options for Recommendation**

3.1 The Corporate Overview Scrutiny Committee recommended Option 1 at its meeting on 16th April 2021.

3.2 **Option 1:** that the Executive Committee accepts the quarter 4 progress update against the Commercial Strategy.

3.3 **Option 2:** that the Executive Committee considers the quarter 4 progress update against the Commercial Strategy and suggests areas for improvement.

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 is a critical organisational strategy for the future sustainability of the organisation. It supports 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 and the Bridging the Gap programme and it also supports delivery against 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.

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.

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 Q4 (January to March 2021) under the following themes and ambitions in the Commercial strategy:

6.1.1 **Excellence in Commissioning and Procurement**

Strategic Commissioning and Commercial Board (SCCB)

- Agreed terms of reference for the Strategic Commissioning and Commercial Board (SCCB) are in place. The Board has a revised schedule of meetings and a forward work programme which reflects the ambitions set out in the commercial strategy. This includes early consideration of potential commercial activity to test ideas, with the Board taking the leading role for this Bridging the Gap review.
- A robust monitoring and reporting process for the Bridging the Gap programme is being finalised and will be a standing agenda item for the Board, enabling appropriate check and challenge. This process will also support the reporting of the Bridging the Gap programme through the democratic arrangements.
- A review of the Terms of Reference of the Transactional Procurement Group is being undertaken including to define their role in the check and challenge of contracts and procurement plans, ensuring effective support for the SCCB in this work.
- A process to enable effective 'check and challenge' of third party contracts and commercial opportunities has been established.
- A bespoke baseline financial assessment (profit & loss) to quantify and challenge trading operations is under development by Resources colleagues. This will support the bridging the Gap review by providing a clear financial picture of commercial activity.

Procurement plans

- Collation of departmental procurement plans to inform the 2021/22 procurement work programme has been undertaken. This supports better organisational oversight and provides the basis for the check and challenge process.
- Continued interrogation of the Council's 3rd party expenditure to ensure value for money opportunities will be built into the check and challenge and supports the Bridging the Gap programme.
- Contract management meetings are undertaken to ensure current contracts remain fit for purpose and realise the intended social, environmental and economical outcomes.

6.1.2 **Customer Focused – A focus on the residents’ experience of existing and new services**

Contact Centre

Following feedback an action plan was developed focussing on areas within the Contact Centre including:

- A review of the answerphone message to ensure more streamlined easier and efficient way of contacting the Local Authority;
- Looking at options in relation to a locally based service provision of the out of hours’ service;
- Working with colleagues within Community Services identifying opportunities to improve the customer experience;
- Focussed on the training requirements for the staff, undertaking skill set analysis and training needs assessments and developing training plans.

Locality Response Team

- 200 residents supported throughout the quarter with a wide range of assistance given from food shopping to supporting residents to apply for grants
- 49 Discretionary Assistance fund applications submitted for emergency payments
- 30 Citizens Advice referrals
- 47 food vouchers allocated to residents

It is anticipated the Locality Response Service will link into the Community hubs approach as a natural progression, supporting a face to face delivery for our residents where required.

6.1.3 **Using data insights and technology wisely**

Digital programme

Working with the Centre for Digital Public Services (CDPS Wales) to deliver better public services for Wales, funding has been secured to explore more user focussed and efficient ways of service delivery:

- Participation in collaborative Adult Social Care project with Neath Port Talbot and Torfaen local authorities, looking at unavoidable contact at the front door;
- Participation in a collaborative ‘Making LAs an easier place to pay’ project with Neath Port Talbot and Torfaen local authorities, which will also link to the Bridging the Gap income recovery work stream. The project is moving into ‘alpha’ testing phase looking to work with an identified service area, which is currently being scoped.

- Commencement of a Tech Valleys funded project focusing on website and back room functionality and the interaction for residents, with focus on waste and recycling services. This project also includes the establishment of a Digital apprentice position which is currently being scoped.
- The recent application to the Welsh Government Digital Democracy fund was successful. The main focus of this project is on user research with 16-25 year olds, to gain a better understanding of how young people would wish to access the democracy and their experiences if they do so currently.
- Expression of Interest submitted to Local Government Digital Transformation fund to build the Digital, Data and Technology skills of our staff. This will enable user research to inform future service delivery and support our residents to find, understand and interact with our services in a common and accessible way.
- Setting out a 12-month digital programme that includes digital projects, corporate activity linked to the ICT investment roadmap and development of a leadership and training programme for both officers and Members raising awareness and understanding of the scope and opportunities of our digital ambitions and activity.

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 projects and approach, will also be supported by the hub.

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 ***EqlA***

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

N/A