

Value for money

Programme: Value for money procurement and commissioning
Portfolio lead: Resources, Commissioning and Governance

1. What this programme includes

Organisationally reviewing all contracts and how we commission with partners, STAR, and other authorities. Ensuring value for money, renegotiating all existing contracts, and reviewing opportunities for contract amalgamation. Reviewing service level agreements (SLAs). This proposal includes a review of Adult Social Care and Public Health contracts, Life Leisure and Totally Local Company (TLC).

Programme savings modelling

Programme	Savings modelling (£000)		
	22/23	23/24	24/25
Value for money procurement and commissioning - <i>contract review and renegotiation</i>	2,088	2,100	2,000

2. Key projects within programme – Cashable savings

Summary of key projects within this programme

Key project/ workstream	Cashable savings (£000)			What it will involve (What will stop/ change, staffing/ contracts/ service delivery)	Lead Portfolio
	22/23	23/24	24/25		
1. Life Leisure	100	-	-	General efficiencies and potential alignment with council services.	Sustainable Stockport
2. TLC public realm	280	1200	1500	Working with Totally Local Company to identify savings from the way services are delivered.	Sustainable Stockport

Key project/ workstream	Cashable savings (£000)			What it will involve (What will stop/ change, staffing/ contracts/ service delivery)	Lead Portfolio
	22/23	23/24	24/25		
3. Cemeteries and crematoriums	-	400	-	Review of options when the current contract for provision ends. Contract ends 2023 with savings modelled from 2023/24.	Sustainable Stockport
4. Shared / traded services (Stockport Family)	270	-	-	Shared services with another local authority e.g., out of hours, programme management, education services. Development of a quality and improvement hub with potential of traded services e.g., Quality Assurance.	Children, Family Services and Education
5. Spend review	235	500	500	Strategic review of spend on a number of areas initially including; confidential waste, corporate travel, information, and communications technology (ICT) equipment, furniture and furnishings, personal protective equipment (PPE) and workwear, stationary, white goods, external room hire, printing and consumables, professional subscriptions, consultancy services and fees, books, magazines, and media, interpreting service offer and catering supplies. Consolidate spend with single suppliers, centralise budgets and investigate collaboration with Stockport Homes. Review, consolidate and renegotiate contracts	Resources, Commissioning and Governance
6. Contract management saving - STAR	263	To be scoped further	To be scoped further	Review of all commissioning and contractual spend through STAR. Builds on previously agreed target of £750k. This initial 1% reduction in contract value is being further considered to achieve an overall 5 to 10% reduction, in line with cash limit reductions over the next 3 years.	Resources, Commissioning and Governance

Key project/ workstream	Cashable savings (£000)			What it will involve (What will stop/ change, staffing/ contracts/ service delivery)	Lead Portfolio
	22/23	23/24	24/25		
<p>7. Contractual reviews (Adult Social Care and Public Health)</p> <p>Review of high value contracts to ascertain value for money, savings, and outcomes outside of care management services.</p>	940	-	-	<p>Review of commissioning budgets within Adult Social Care to drive down costs, excluding care management and prevention budgets.</p> <p>A reduction in the funding previously aligned to intermediate care bed-based commissioning, as we work to embed a 'home first' ethos across the health and social care economy.</p> <p>For Public Health, a review of contractual arrangements including;</p> <ul style="list-style-type: none"> Smoking Cessation - A reduction for GP and removal of pharmacy contracts. Increasingly smoking cessation is delivered by specialist services, demand in these areas has reduced recently and savings can be made. Agenda for Change - Contract negotiations with NHS organisations to ensure that any uplifts in relation to agenda for change (pay awards) are absorbed within current contract values unless the future public health grant includes direct provisions for this. This includes current pressures in the 0-19 health service at Stockport NHS Foundation Trust. Changes in Greater Manchester cross charging for sexual health services which will mean reduced net costs for Stockport; these are currently being agreed by the partnership. 	Adult Care and Health

3. Programme consultation and engagement

Stakeholders	Engagement method	Engagement period	Projects included
Members	A range of consultation methods will be utilised	November 2021 – January 2022	All
Public		November 2021 – January 2022	Adult Social Care and Public Health contract reviews
Partners		November 2021 – January 2022	

Appendix – Detailed proposals

Project	1. Life Leisure
Lead portfolio	Sustainable Stockport
Senior responsible officer	Caroline Simpson
Summary of proposal	General efficiencies and potential alignment with council services.
Outline dependencies on other programmes	This saving connects to the change in provision from a Trust to a Community Interest Company owned by the council.
Outline any staffing changes	A general review of how the provision is organised will take place. No specific staffing changes are planned at this stage.
Outline any changes to service delivery/ provision	Changes to provision could take place, but the customer should not see a decrease in service standards.
List key milestones and delivery dates	To be determined. Programme delivery plan to be scoped.
Is a separate equalities impact assessment needed?	Not at this stage
Is a separate environmental impact assessment needed?	Not at this stage
Key stages of consultation and engagement	Not required as no change in service.
Risk to delivery and mitigating actions	The service is dependent on income from customers - impacted by the COVID-19 pandemic.

Project	2. Totally Local Company public realm
Lead portfolio	Sustainable Stockport
Senior responsible officer	Caroline Simpson
Summary of proposal	Working with Totally Local Company to identify savings from the way services are delivered.
Outline dependencies on other programmes	Radically digital programme
Outline any staffing changes	No changes identified at this stage
Outline any changes to service delivery/ provision	For 2022/23 there will be no change to service delivery as temporary savings have already been identified which will protect services for a further year. A review of service delivery will take place seeking the transformational change necessary to meet the above savings / funding challenge. The transformational review will look to protect front-line jobs and services and increase value for money for the residents of Stockport.
List key milestones and delivery dates	Review of service delivery 2021/22.
Is a separate equalities impact assessment needed?	No EqIA needed at this stage as no change to service.
Is a separate environmental impact assessment needed?	Not at this stage
Key stages of consultation and engagement	No consultation required for 2022/23 as no change to service provision.
Risk to delivery and mitigating actions	Transformation of the delivery of services is needed. Temporary savings for 2022/23 have been identified.

Project	3. Cemeteries and crematoriums
Lead portfolio	Sustainable Stockport
Senior responsible officer	Caroline Simpson
Summary of proposal	A review of options for the delivery of the service once the current contract ends in 2023. Savings from 2023/24.
Outline dependencies on other programmes	No dependencies identified
Outline any staffing changes	To be developed as part of the options for delivery.
Outline any changes to service delivery/ provision	To be developed as part of the options for delivery.
List key milestones and delivery dates	To be developed. Current contract ends 2023.
Is a separate equalities impact assessment needed?	Not required as no change to service provision.
Is a separate environmental impact assessment needed?	Not at this stage.
Key stages of consultation and engagement	Not required if no change to service provision.
Risk to delivery and mitigating actions	Very early stages of the project. Risks yet to be identified.

Project	4. Shared / traded services (Stockport Family)
Lead portfolio	Children, Family Services and Education
Senior responsible officer	Chris McLoughlin
Summary of proposal	<p>Shared services with another local authority e.g., out of hours, programme management, education services.</p> <p>Development of a Quality and Improvement hub with potential of selling services to other local authorities and public sector organisations e.g., Quality Assurance.</p>
Outline dependencies on other programmes	Shared Services Programme.
Outline any staffing changes	Workforce changes – the shared services programme is in part about exploring the efficiencies of scale and will involve a review of how different teams and services work and are structured. This may include the identification of staffing efficiencies. The intention is that this would have minimal impact on front-line staff.
Outline any changes to service delivery/ provision	Shared delivery with another local authority, currently in scoping phase with all services to be considered and proposals developed.
List key milestones and delivery dates	<p>Shared Services Programme Board 14th September</p> <p>Exploration event – early Oct</p> <p>Business case for Quality and Improvement Hub agreed.</p> <p>Regular consultation with appropriate lead members and scrutiny.</p> <p>Agreement on initial focus for Phase 1 considering the outcomes of scoping phase.</p> <p>Phase 1 delivered by April 2022</p>
Is a separate equalities impact assessment needed?	To be determined as the proposals are progressed, where appropriate will require separate EqIAs for each proposal.
Is a separate environmental impact assessment needed?	Not at this stage.

Project	4. Shared / traded services (Stockport Family)
Key stages of consultation and engagement	To be determined as the proposals are progressed, where appropriate consultation and engagement will take place with affected stakeholders.
Risk to delivery and mitigating actions	<p>These proposals will be developed and delivered in partnership with another local authority and appropriate council governance and scrutiny structures across both local authorities which has the potential to impact pace and may be challenging to achieve by April 2022. Part year savings may be more realistic. The programme plan will support this as will joint ownership via shared Director of Education.</p> <p>The market for shared and traded services across the region (and nationally) will need developing to realise the full potential of this opportunity. This will require investment in a senior lead to take forward this proposal.</p> <p>Stockport Family model is recognised nationally which supports our position to be involved in national conversations and attract significant funding into the borough, for example;</p> <ul style="list-style-type: none"> • One of 13 LAs that are Partners in Practice • One of 49 LAs that are good/outstanding • Outstanding CQC for MOSAIC

Project	5. Spend review
Lead portfolio	Resources, Commissioning and Governance
Senior responsible officer	Michael Cullen
Summary of proposal	<p>Strategic review of spend on; confidential waste, corporate travel, information, and communications technology (ICT) equipment, furniture and furnishings, personal protective equipment (PPE) and workwear, stationary, white goods, external room hire, printing and consumables, professional subscriptions, consultancy services and fees, books, magazines, and media, interpreting service offer and catering supplies.</p> <p>Consolidate spend with single suppliers where this will enable cost reduction and value for money, centralise budgets where appropriate and investigate collaboration with Stockport Homes. Review, consolidate and renegotiate contracts.</p>
Outline dependencies on other programmes	STAR, as our procurement service, will be required to support all procurement activity and ensure compliance with financial and procurement procedures.
Outline any staffing changes	SMBC Spend team will centralise activity and spend and become contract managers and project manage a number of areas of spend to enable greater control. This will cause additional pressure on business-as-usual activity. Further consideration of demand pressure may result in a request for additional short-term capacity.
Outline any changes to service delivery/ provision	Changes expected in limiting choice over both supplies and product lines. This will affect services across the council but is a necessary step to ensure consistency and achieve value for money.
List key milestones and delivery dates	Each project within this proposal will have a delivery plan. To be established by November 2021.
Is a separate equalities impact assessment needed?	An EqIA will be completed if there are reduced service offers as a result of this review.
Is a separate environmental impact assessment needed?	EIA will be considered for all relevant projects within this proposal as part of routine procurement procedures.
Key stages of consultation and engagement	Appropriate consultation or engagement would take place if there are reduced service offers as a result of this review
Risk to delivery and mitigating actions	<p>Agreement to centralise budgets as appropriate.</p> <p>Potential service restructure and reduced service offer for areas that are under review.</p>

Project	6. STAR contract management
Lead portfolio	Resources, Commissioning and Governance
Senior responsible officer	Michael Cullen
Summary of proposal	<p>Review of all commissioning and contractual spend through STAR. Builds on previously agreed target of £750k.</p> <p>This initial 1% reduction in contract value is being further considered to achieve an overall 5-10% reduction in line with cash limit reductions over the next 3 years.</p>
Outline dependencies on other programmes	<p>Close working and alignment of the work on the Spend review.</p> <p>Close working and alignment with the Adult Social Care and Public Health contract reviews to avoid any duplication or double counting.</p>
Outline any staffing changes	A dedicated staff member has been identified to support cross STAR-authority efficiencies by identifying common suppliers and renegotiating specifications and costs.
Outline any changes to service delivery/ provision	Changes expected in what we commission and procure as this is necessary to ensure value for money and efficiency.
List key milestones and delivery dates	<p>All contracts included in this proposal current being scoped.</p> <p>Delivery plan in place.</p> <p>The initial 1% reduction in contract value is being further considered to achieve an overall 5-10% reduction, in line with cash limit reductions over the next 3 years – to be scoped by November 2021</p>
Is a separate equalities impact assessment needed?	An EqIA will be completed if there are reduced service offers as a result of this review
Is a separate environmental impact assessment needed?	EIA will be considered for all relevant projects within this proposal as part of routine procurement procedures.
Key stages of consultation and engagement	Appropriate consultation or engagement would take place if there are reduced service offers as a result of this review
Risk to delivery and mitigating actions	None at this stage

Project	7. Adult social care and public health contract reviews
Lead portfolio	Adult Care and Health
Senior responsible officer	Mark Fitton and Jennifer Connolly
Summary of proposal	<p>A review of the commissioning budgets within Adult Social Care to drive down costs, excluding: -</p> <ul style="list-style-type: none"> • Care management budgets which are included within the demand management proposals. • Prevention budgets, which are critical to the achievement of our demand management proposals. <p>Furthermore, within Adult Social Care there will be a reduction in the funding aligned to intermediate care bed-based commissioning. We will continue to work across the health and social care economy to embed a 'home first' ethos and to support more people to be supported in their own homes.</p> <p>For Public Health, a review of contractual arrangements including;</p> <ul style="list-style-type: none"> • Smoking cessation - A reduction in GP smoking cessation and removal of pharmacy smoking cessation contracts. Increasingly smoking cessation is delivered by specialist services and demand in these Primary Care services has recently reduced; • Agenda for Change - Contract negotiations with NHS organisations to ensure that any uplifts in relation to Agenda for Change (pay awards) are absorbed within current contract values unless the future Public Health Grant includes direct provisions for this. This includes negotiating on current pressures in the 0-19 Health Service with Stockport NHS Foundation Trust, and savings in sexual health service (out to tender); • Changes in Greater Manchester sexual health services cross charging - agreement is currently being reached across GM on a revised mechanism for cross charging which will mean reduced net costs for Stockport.
Outline dependencies on other programmes	<ul style="list-style-type: none"> • STAR contract management savings • All Age Prospectus programme • Early Help and Prevention commissioning • Stockport Family 0-19 health services • Adult social care demand management savings proposals

Project	7. Adult social care and public health contract reviews
Outline any staffing changes	No changes identified
Outline any changes to service delivery/ provision	<p><i>Adult social care</i> Although no specific changes to service delivery there will be a reduced financial envelope available to support Intermediate Care services. Further scoping work is required in relation to a wider review of commissioning budgets to understand the impact on wider service delivery.</p> <p><i>Public health</i> There will be reduced prevention services available to the people of Stockport.</p>
List key milestones and delivery dates	<ul style="list-style-type: none"> • The recommissioning for intermediate care and discharge to assess beds will take place throughout the autumn. • Contract negotiations for public contracts are due to take place over the autumn or are being currently being tendered in time for new contract values in April 2022. • Wider commissioning budgets for Adult Social Care will be aligned with contract renewal dates for 2022/23.
Is a separate equalities impact assessment needed?	Where specific contract changes will result in changes to service delivery EqIA's will be undertaken.
Is a separate environmental impact assessment needed?	EIA will be considered for all relevant projects within this proposal as part of routine procurement procedures.
Key stages of consultation and engagement	As specific contracts are retendered or renegotiated where any consultation or engagement is required this will be undertaken with stakeholders as required. This will take place in line with the key milestones above.
Risk to delivery and mitigating actions	<p><i>Adult Social Care</i> Savings have previously been identified from Adult Social Care commissioning budgets which will make any further reviews more challenging. Preventative services will not be in scope for this saving requirement as they are key to enabling the service to manage longer term demand.</p>

Project	7. Adult social care and public health contract reviews
	<p>The bed-based commissioning budget for intermediate care has been aligned to support the development of the Prospectus for All Age Living (Development at St Thomas's). As this programme develops, we will continue to closely monitor the available financial envelope and seek to identify alternative funding sources.</p> <p>The reduced financial envelope for intermediate care means less funding available to redirect to support more individuals in their own home.</p> <p>Need to work closely with STAR to realise this saving. Close alignment with the Spend proposal and STAR proposal above.</p> <p><i>Public Health</i></p> <p>Loss of primary care income, causing pressure in other parts of Stockport system. The prescribing budget for smoking cessation is currently held by NHS Stockport Clinical Commissioning Group.</p> <p>Agenda for Change pressure absorption requires the agreement of providers, in particular Stockport NHS Foundation Trust. Other NHS contracts are currently out for tender, and this saving is built into the contract envelope. There will likely be future demands for further uplifts in future years, the funding of which may be built into future Public Health grant changes.</p> <p>A surge in Covid-19 cases during the autumn and winter period will impact on the availability of colleagues to support these programmes of work, resulting in possible delays in delivery.</p>