

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 the whole 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

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		
2. TLC public realm	280	1200	1500	Working with Totally Local Company to identify savings from the way services are delivered.	Sustainable Stockport
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 Tameside e.g., out of hours, 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 and catering supplies. The 13 individual projects for 21/22 will be split into 2 types of activity – negotiating costs by consolidating spend with a single supplier and/or reducing what we purchase and limiting choice. Future targets require ongoing forensic analysis of spend, consolidation, control and negotiation with suppliers.	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		
6. Contract management saving - STAR	263	To be scoped further	To be scoped further	<p>STAR will review and renegotiate high value contracts across Authorities who procure from the same supplier. This will involve discussion and agreement of back-office on-costs as well as analysis of potential differences in unit costs across LAs for goods and services.</p> <p>Business cases are being agreed across the Authorities.</p>	Resources, Commissioning and Governance
7. Contractual reviews (Adult Social Care and Public Health)	940	-	-	<p>Review of commissioning budgets within Adult Social Care to drive down costs and ensure that we deliver value for money. The review will exclude care management and prevention budgets.</p> <p>A reduction in the funding previously aligned to intermediate care commissioning budgets, 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 	Adult Care and Health

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>includes current pressures in the 0-19 health service at Stockport NHS Foundation Trust.</p> <ul style="list-style-type: none"> Changes in Greater Manchester cross charging for sexual health services which will mean reduced net costs for Stockport. 	

3. Programme consultation and engagement

Stakeholders	Engagement method	Engagement period	Projects included
Members	A range of consultation methods will be utilised	October 2021 – January 2022	All
Public		December 2021 – January 2022	Adult Social Care and Public Health contract reviews falling within this period. Further engagement will take place throughout the year.
Partners		December 2021 – January 2022	
Employees		On going	All

Appendix – Detailed proposals specific to this Scrutiny Committee

Project	7. Adult social care and public health contract reviews
Lead portfolio	Adult Care and Health
Senior responsible officer	Chris McLoughlin, Vicky Murphy and Jennifer Connolly
Summary of proposal	<p>A review of the commissioning budgets within Adult Social Care to drive down costs and ensure that our contracts are delivering value for money. This review will take place in the early part of 2022/23 when most contracts are due to be recommissioned. The review will exclude: -</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 commission intermediate care, specifically in relation to beds. 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 Primary Care 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).

Project	7. Adult social care and public health contract reviews
	<ul style="list-style-type: none"> • Changes in Greater Manchester sexual health services cross charging - agreement has been reached across GM on a revised mechanism for cross charging which means 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
Outline any staffing changes	No changes identified
Outline any changes to service delivery/ provision	<p><i>Adult social care</i> The review of contracts will take place in the first 6 months of 22/23 there are no known changes to service delivery at this time.</p> <p>There are no specific changes to service delivery resulting from the reduction in commissioning budgets for intermediate care.</p> <p><i>Public health</i> Smoking cessations services will be delivered primarily by specialist services rather than GPs. The service will still be available to the residents 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 health contracts are due to take place over the autumn and are 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. • The Sexual Health cross charging agreement was reached in Autumn 2021.

Project	7. Adult social care and public health contract reviews
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></p> <p>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> <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>

Project	7. Adult social care and public health contract reviews
	<p>Loss of primary care income, causing potential pressure in other parts of the 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>