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Subject: **Transformation Project Work**

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Below are some of the considerations, some taken from the initial transformation plan and some thoughts based upon our experiences over recent years...

Through phase one of the Facing the Challenge: delivering better outcomes, the objective is to focus upon commissioning outcomes, a key element is market engagement and service review. Through market engagement and meeting external suppliers who are experienced in supplying services to local authorities, there is an opportunity to identify existing service models to new delivery models.

Primary areas of consideration for market engagement are as follows;

- Scale, value, maturity and track record of the market for the service, across all sectors
- Trends and gaps in the market and potential opportunities
- Analysis and potential competition
- Need for market shaping and development
- Invite market innovations

Secondary outcomes from engagement of market providers inform Clients in a number of ways;

- within a commercial context - how could services be provided at reduced cost?
- if services are supplied at lower cost, how do they balance and impact upon customer expectations - what is the opportunity for low cost - better service?
- what is the "cost" and profit elements of the service, and which elements of commercial and service risk could be transferred?
- risk should be the responsibility of the party with highest degree influence control and mitigate most - what is the appetite to undertake risk?
- how can local suppliers be part of the solutions, without add management or pass through costs to the Client?
- is there a local co-operative of SME's, have they taken the initiative to counter frameworks?
- how is continual success measured and incentivised?

There needs to be a sense of realism that outsourcing does not discharge the Authority to deliver against it's statutory or moral duty, furthermore the Authority will be held to account by the general public for any failures of outsourced services, examples such as G4S in providing security at the Olympic games and failures in

providing adult social care by Castlebeck Care even impacted on the Care Quality Commission.

Finding the right partner organisation who will share risk and protect the reputation of the Authority, Client and therefore customers is paramount - identifying such qualities must be fundamental at all levels of the engagement and then procurement process.

Ultimately, finding the right commercial provider can be driven by process and experience - but relies upon the Client being intelligent. Following outsourcing, how does the Client remain intelligent?

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