

MODERNISING COMMISSIONING *Consultation Response*

January 2011

Age UK is the new force combining Age Concern and Help the Aged. We are a national charity and social enterprise working to transform later life in the UK and overseas. Our vision is of a world in which older people flourish. We aim to improve later life for everyone through our information and advice, services, products, training, research and campaigning.

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Age UK

www.ageuk.org.uk

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INTRODUCTION

Age UK is a single national body, with a network that supports over 330 local Age UKs and Age Concerns as well as over 600 forums run for and by older people. Our network of partners provide direct and vital services to people in later life throughout the UK.

Age UK and its network of organisations and community groups have a wealth of extensive experience across the country in working with commissioners and stakeholders in developing services with and for people in later life. We also have a successful track record in tendering for and delivering contracts across a range of social care and health services and through various different types of sub contracting and consortia type arrangements. Through the work of Age UK and our networks we have developed a thorough and comprehensive understanding of commissioning and procurement issues and have developed a range of tools and support packages to support our partners, both in working with commissioners and with tendering processes.

Age UK is pleased to see that the Government is committed to improving and developing commissioning practices and processes and in trying to improve the commissioning environment, particularly for the benefit of voluntary organisations and Small and Medium sized Enterprises (SME's). We are very happy to be involved in this consultation and this response comprises the thoughts, ideas and comments from both Age UK and some of our local partners. Unfortunately because of the short time scale of this consultation we were unable to carry out comprehensive engagement with our partners and older people and Age UK would urge the Government to comply with the Compact at all times in order to ensure that consultation is comprehensive and enables an often under-resourced sector to fully contribute.

KEY POINTS AND RECOMMENDATIONS

- Age UK values and recognises the importance of using outcomes to monitor and evaluate the impact of service delivery. However, it is essential that commissioning processes engage with stakeholders and the community to ensure that the right outcomes are chosen for different types of service provision which are sufficiently robust and evidence-based
- Age UK has concerns about the issues that payment by results might bring to the voluntary sector. If payments by results were introduced throughout contract arrangements we would like to see that this is balanced with up front payments to cover overhead costs
- Age UK recognises that one of the main barriers to the voluntary sector delivering public services is often limited resources and time. We would like to see tenders that have longer timescales (and therefore support the development of well formed consortia) as well as contracts that are at least three years in length
- Age UK has evidence of lengthy tendering processes being carried out for contracts of a relatively small value. We believe this is often not because of the Public Contracts Regulations but the internal processes (e.g. standing order processes) within PCT's and Local Authorities. Age UK would like to

see changes in these processes to encourage flexibility in commissioning and tendering processes

- Age UK recognises that commissioners have a role to play in developing and sustaining the market. Market development therefore should be part of the commissioning cycle and this needs to be complemented by comprehensive skills training for commissioners
- Age UK and its partners have witnessed the reduction and sometime demise of grant schemes for the voluntary sector in many areas across the country. We recommend that all local public bodies should have grant schemes for the voluntary sector to enable flexibility of service delivery and to open up opportunities for smaller organisations
- Age UK recognises and supports the importance of regulating services. However, this can sometimes be a barrier for organisations and we recommend that regulation needs to be more sensitive, proportionate and appropriate to the type of service being delivered
- Commissioning bodies need to be involved in risk sharing and not passing on all risk to providers through their contracts
- Age UK is concerned that the cuts in public spending will 'force' local public bodies to become more price orientated and this will lead to smaller organisations finding it harder to be competitive, even though their service delivery may be better than those who offer services at the lowest cost. We would like to see the continued emphasis in tendering processes on value for money and would like to explore further with Government appropriate ways in which this can be illustrated
- Age UK believes that consortia arrangements can be problematic especially when formed within tight timescales. Age UK would encourage both central and local government to involve stakeholders at the earliest possible opportunity in the commissioning process if contracts are likely to be awarded to consortia.

1. To drive more efficiency, effectiveness and innovation in public services by opening more public services areas to civil society organisations

1.1 What are the implications of payment by results?

There are a number of issues that payment by results presents to the voluntary sector.

Firstly, payment by results works on the assumption that the correct and most appropriate monitoring requirements and outcomes have been put in place. If the contract is brand new and the service has not been piloted, or there has not been sufficient engagement with stakeholders during the commissioning process, commissioners may put in place outcomes that are not the most appropriate for the service users in receipt of the service. The result of this may be that organisations are not able to meet the outcomes outlined in a contract and would therefore be at a financial disadvantage. This may be no reflection on the quality of the service being delivered or the outcomes for those who benefit from the service. On the positive side using outcomes to monitor contracts means that organisations have more freedom to design services with increased scope for innovation and creativity. This also leads to a more 'people-focused' approach to service delivery as service users could be involved in setting performance measures and assessing results. The key however, will be determining and agreeing outcomes or outcome proxies that are sufficiently robust and evidence-based.

Secondly, the Government, together with providers, needs to learn the lessons of payment by results in the NHS, where one consequence of this has been payment for activity which has led to a series of perverse incentives to admit as many people to hospital as possible. In most areas there are many confounding variables which have an impact on outcomes and these need to be taken into consideration when designing payment by results systems.

Thirdly, there will be some difficulty in effectively extending payment by results to some areas of public service provision. Some areas of provision are very hard to pin down in terms of short to medium term tangible outcomes that can be effectively monitored. With the exception of curative areas of healthcare, many outcomes in public health and social care are ill-defined, personal and achieved over a very long period of time. Effective proxies can be used where they are well established (i.e. smoking cessation, weight loss, reduction in emergency admissions) but other proxies are less well established (i.e. falls prevention).

Voluntary organisations have for some time been developing monitoring frameworks and models for developing, collating and analysing outcomes. It is likely that most organisations use different models and may, therefore be able to illustrate their outcomes in different forms. It will be important to ensure that commissioners do not compare outcomes between organisations and that they clarify and agree with voluntary organisations, prior to the commencement of contracts, the agreed outcomes framework.

We feel that payment by results can place an unacceptable level of risk and uncertainty on voluntary organisations which should not be passed down. For example, many contracts are 'controlled' by health or social care professionals who are the only pathways for making referrals. If these referrals are not forthcoming or controlled, it will ultimately lead to fewer individuals using a service and therefore it may be more difficult to meet the outcomes of the contract. Payment by results also discriminates against Small and Medium-sized Enterprises (SME's) who do not have the cash flow needed in order to deliver a service upfront and receive payment. Trustees may view this as an unacceptable level of risk and may therefore not pursue opportunities to deliver public services.

If the government is to pursue payment by results this should only be part of the contract payment. To open up more public service areas to the voluntary sector, Age UK recommends that all contracts should have a certain percentage of overheads paid up front and then further payments linked into outcome performance.

1.2 What public services areas could be opened up to more civil society providers? What are the barriers to more civil society organisations being involved?

In principle all areas in social care and health could be opened up to more civil society organisations, but the Government would need to ensure that this does not involve devolving legal/statutory responsibilities in contracts to other organisations (for example the duty to assess, care management and a duty to meet assessed & eligible need). It will also be important to ensure that services such as Information and Advice, support brokerage and advocacy continue to be provided by voluntary organisations and not public bodies, because of the need for these services to be independent.

There could be room for significant expansion in the provision of health services by voluntary organisations, however, the high cost of market entry and demonstrating regulatory compliance in healthcare for smaller organisations wanting to offer clinical services will be a deterrent.

The areas of the market in health where the voluntary sector can more readily contribute include provision of information, advocacy and advice, public health initiatives, providing practical emotional and psychological support for people with long term conditions, step down services, rehabilitation and end of life support. The voluntary sector is currently active in these areas and could do more if properly commissioned and supported. Increased involvement of the voluntary sector could also be achieved by writing service specifications that outline specific provision for low level preventative services being provided alongside clinical interventions and input. This would encourage large healthcare providers and co-operatives to

consider sub-contracting to smaller, and often more local, civil society organisations that would be in a position to complement clinical interventions.

Tendering is still a barrier which prevents many voluntary organisations from delivering public services. At Age UK we see tenders on a weekly basis that request a huge amount of information relating to the way in which an organisation is run and operated. Although we support the importance of ensuring that public money is

accounted for and only given to robust and financially sound organisations, there is still a tendency for public bodies to ask for policies and procedures that do not appear proportionate to the value of the contract. Smaller voluntary organisations are expert in delivering services to the people they are set up to support but not experts in areas such as business continuity and environmental planning.

The type of contracts offered by public bodies can be a significant barrier particularly where the financial risk is being passed onto providers through framework agreements and spot purchase arrangements where the level of service delivery, and therefore income, cannot be predicted. Continued use of a standard set of NHS contracts is a major barrier where irrelevant detail is included rather than contracts being tailored to the type and level of service delivery. As their name implies they are based on NHS provision rather than outcomes-focused. Public bodies also need to de-mystify and 'de-jargon' contracts and criteria.

Efficiency savings in the public sector are likely to lead to much larger procurement exercises as public sector bodies join together to purchase goods and services. This will make it much harder for smaller organisations that are not able to manage multi-million pound contracts. Therefore their opportunities are restricted as they will be reliant on prime contractors recognising the opportunities that lie with sub-contracting to smaller more local organisations.

There also needs to be recognition that one of the main barriers for voluntary organisations entering into the market of delivering public services is the timescales for tendering processes and the length of contracts. Public bodies should be encouraged to increase the time for tendering from the minimum timescales outlined in the EU procurement regulations as well as considering contracts of at least three years with additional (and limited) extensions.

1.3 Should government explore extending the right to challenge to other local state-run services? If so, which areas and what benefits could civil society organisations bring to these public service areas?

Age UK would like more information about the Localism Bill and how the Right to Challenge relates to EU Procurement Regulations and the Public Contracts Regulations 2006. We note that nothing has been said within the consultation about what kind of provisions would be put in place to determine the suitability of the organisation or group of individuals seeking to exercise the right- especially as the definition within the consultation has been expanded to include quite a wide range of organisations under the 'civil society' banner. Age UK believes it would be appropriate to set out some criteria about the type of people and organisations that could be considered eligible and the basic standards they would have to meet in order to put a proposal forward at all.

1.4 Are there types of assets whose viability, when transferred to civil society management or ownership, would be particularly dependent on a continuing income stream from service contracts or public sector tenancies?

Age UK has concerns that transferable assets could turn into potential liabilities especially in a time of recession. We believe that voluntary organisations would need some income guarantees to ensure that they could remain viable.

1.5 What are the main barriers that prevent civil society organisations taking over asset-based services?

As above, we believe the barriers include financial risk and liabilities. Organisations may also lack the expertise and skills in the business disciplines needed to run asset-based services.

1.6 How can we encourage more existing civil society organisations to team up with new employee-led mutuals?

Both voluntary organisations and employee-led mutuals will need encouragement and enough time to work together, but the local environment will need to be taken into consideration. In some cases employee-led mutuals could be viewed as partners but in many cases they will be competitors, moving into new social care markets where traditionally the voluntary sector have been the main providers. We would also expect all organisations to go through a process of due diligence before they decide to team up with mutuals or any other organisation.

1.7 What other methods could the government consider in order to create more opportunities for civil society organisations to deliver public services?

Opening up more public service provision to voluntary organisations could be possible within health and social care but there needs to be a substantive shift in commissioning culture. Emphasis is placed on tendering through formal competitive processes that can be expensive, time consuming and difficult to navigate. Often commissioning and contracting rules are more flexible in theory than practice demonstrates. Collaboration and innovation in service delivery needs to be encouraged, otherwise opening up to competition will only be of primary benefit to large commercial organisations.

Grant giving often opens up more opportunities for the voluntary sector to deliver public services. However, Age UK has witnessed the demise of grants to the voluntary sector from some public bodies and we would like to see that grant giving is maintained and developed throughout the country.

Flexibility is not used particularly effectively as PCT and local authority internal processes can make it very difficult to do so. Local authorities have demonstrated some improvement in this area over recent years but still do not commission as effectively as they could. Implementing changes and simplifications in the tendering and contracting process would be welcome but will have little impact if commissioners (and their finance, legal and procurement departments) do not actually use them. Some of this seems to stem from a lack of understanding at PCT and Local Authority level of the regulations and partly from a fear of complaints and legal challenges.

To date, PCT's and local authorities have had limited impact in stimulating and developing the local provider economy. Much more attention should be paid to this part of the commissioning cycle. Age UK notes that the Cabinet Office fails to mention market development in their outline of what commissioning is which we view as a major failure. Commissioners will need to develop their skills in this very challenging area.

There should be specific and tailored assistance for voluntary organisations that have real expertise in helping specific (often hard to reach) sections of the community but may need support to develop their offer. Commissioners need to be given a lot more freedom, in theory and practice, to use their judgement in awarding contracts rather than adhering to rigid procurement processes. Changes need to be made to procurement regulations which are not always appropriate or suitable.

Regulation is another key barrier. Regulation of services and providers needs to be more sensitive and proportionate. It also needs to be applied appropriately. Whilst universal standards are necessary it may not be appropriate to regulate low level preventative services (e.g. volunteers cutting toe nails) at the same level as clinical services (e.g. services provided by a fully qualified podiatrist).

Age UK would also like to see a more enlightened approach to risk sharing, including use of block contracts, tapered contracts and long term renewable contracts.

2

To address practical, regulatory, legislative and cultural barriers to market entry in existing markets, with a particular focus on barriers that affect civil society organisations

2.1 What issues should commissioners take into account in order to increase civil society organisations' involvement in existing public service markets?

Age UK believes the Government should play in a bigger role in ensuring that public bodies continue to have grant giving schemes to the voluntary sector as this encourages innovation and could involve smaller organisations in delivering public services where holding a contract themselves would be inappropriate.

Commissioning bodies need to be involved in risk sharing as opposed to the pattern we are seeing of risk being passed onto providers. Passing on all the risk deters voluntary sector organisations to be involved in public sector delivery.

Age UK recommends that public bodies revise their internal standing order processes. Many of the services that we and our partners would be interested in delivering fall under Part B services of Public Contract Regulations which means that the public body does not have to go through a full tendering exercise to find a supplier but needs to fulfil the principle requirements of equal treatment, transparency, proportionality and mutual recognition. However, Age UK regularly witnesses full blown tendering exercises for contracts of only £5,000. We believe this is an expensive and ineffective use of public funds. Tendering is often the greatest

barrier for many smaller more specialised organisations, which are less likely to survive a competitive market. There is a danger that this will lead to larger more generalised organisations dominating the market and the loss of smaller, niche and specialist organisations. The effect of this could be that it will be difficult to reach the Governments' aim of awarding 25% of government contracts to SME's.

Commissioners should not penalise voluntary organisations if they make a profit (or surplus) when delivering public services. These surpluses are put back into the organisation to further their charitable activities as well as helping to ensure their longer term sustainability.

Voluntary organisation are set up differently to other organisations. Often decision making processes take longer due to their governance and accountability to users, members and communities. Therefore timescales for consultations and commissioning and tendering processes need to take account of this.

2.2 In the implementation of the abovementioned measure, what issues should the government consider in order to ensure that they are fully inclusive of civil society organisations?

Age UK welcomes the aspiration of awarding 25% of government contracts to SME's but has some reservations on the individual plans identified.

While a standardised PQQ across central government sounds like a good idea, Age UK is concerned about how appropriate this will be for all procurement opportunities. We have already witnessed the use of over-burdensome standardised contracts within the NHS which are often inappropriate for preventative and lower value contracts. The challenge for central government will be to ensure that the PQQ is robust enough for multi-million pound contracts but not over-burdensome for contracts of a lesser value. We believe the majority of SME's will be more interested in tendering for local contracts through local authorities and PCT's and so a central PQQ may not effect these local organisations unless it is replicated at a local level.

Age UK welcomes the idea of suppliers only submitting standardised PQQ responses once. However, there must be an opportunity for organisations to regularly update the PQQ as their organisation changes and develops otherwise they will not be assessed on their current policies and procedures.

Age UK also welcomes the idea of having a free facility for SME's to find public sector procurement opportunities. However, we are concerned that this duplicates free services such as Funding Central and paid for services such as Tenders Direct and BiP solutions. Age UK would urge the government to work with these organisations to see if Contracts Finder is needed or whether it is actually a duplication of other services available in the current market.

2.3 What issues should the Civil society red tape taskforce consider in order to reduce the bureaucratic burden of commissioning?

Age UK would like to know more about the Red Tape Taskforce including what the make-up of the representation on the taskforce is, and would urge the Government to ensure that it includes organisations from the voluntary sector.

The taskforce should consider consulting with the voluntary sector in Compact compliant timescales to collect more information in relation to the bureaucratic burdens of commissioning.

2.4 How can commissioners achieve a fair balance of risk which would enable civil society organisations to compete for opportunities?

As we have already stated commissioners need to ensure that they share risk. In many cases risk is immediately passed down at the point of contract and there does not appear to be a willingness on the side of public bodies to share this to ensure that smaller providers can compete and deliver. Payment by results, framework agreements, spot purchasing and payment on delivery are all issues that hinder smaller organisations from working efficiently in the market of delivering public services.

2.5 What are the key issues civil society organisations face when dealing with TUPE regulations and what could government do, within existing legislation, to resolve these problems?

Access to professional expertise on TUPE regulations is the main issue that voluntary sector organisations face. If there is no access to this expertise it leads to not fully understanding the practical, legal and financial implications of TUPE which puts the organisation at risk. This is a particular issue where TUPE applies to the transference of contracts from public bodies where terms and conditions of contracts (particularly pensions) are much more favourable.

Age UK also has concerns that organisations are put at additional risk of legal challenges where public bodies have provided inaccurate TUPE information or have declared that TUPE does not apply. Many organisations cannot afford to pay for access to specialist legal advice and assume that the public body is providing them with the correct information. This leads to unnecessary risk. Age UK suggests that guidance and case studies on how to avoid legal challenges in relation to TUPE should be provided.

2.6 What issues should Government consider in order to ensure that civil society organisations are assessed on their ability to achieve the best outcomes for the most competitive price?

Age UK is concerned that the cuts in public spending will 'force' local public bodies to become more price orientated and that this may mean that outcome focused contracts diminish, rather than grow and develop. Lowest cost per head is not appropriate where the service standards are not high enough and we believe this will result in very poor service provision. There is also a risk that this type of service model results in gaps in service provision that then have to be picked up by another service provider and therefore the true cost has not been appreciated.

Age UK would like to see the newly established health and wellbeing boards being a key partner in looking at different types of contracts and commissioning decisions to ensure that the public health implications and opportunities are fully explored. Indeed

it would seem sensible that the provision was extended for people to be required to consider the social, environmental, economic and public health value to the community.

Assessments should pay consideration to the frameworks that voluntary sector organisations use when developing, collating and analysing their outcomes. The voluntary sector has spent a great deal of time in developing outcome frameworks and many organisations are well advanced in delivering outcomes. These frameworks would also illustrate the ability of an organisation to engage and consult with their stakeholders, particularly those who use the service being commissioned.

Decision-making processes for awarding contracts should be opened up and routinely include services users and/or their representatives to ensure that all organisations are assessed from the user's point of view and to ensure that 'nothing about us without us' has real meaning.

2.7 What issue should Government consider in the development of the Big Society Bank in order to enable civil society organisations to take advantage of public service market opportunities?

The distribution of funds from the Big Society Bank should be led and developed by the Voluntary Sector itself to ensure that it is targeted to the areas where organisations need most support and investment. Bureaucracy needs to be minimised and the sector also needs to have guarantees from government that lessons learnt from Capacity Builders are carried forward into the Big Society bank.

2.8 What issues affecting civil society organisations should be considered in relation to the extension of the Merlin Standard across central government?

Age UK welcomes the recognition that the government has increased transparency and its use of the Compact. However, Age UK feels it must comment on the fact that the government has begun this process by actively being non Compact compliant and trying to justify this. This leads to a lack of trust and implies tokenistic consultation which does not allow for organisations like us to consult fully with our partners and older people.

Age UK has not had any first hand experience of the Merlin standard and unfortunately this consultation does not allow time for us to research it. We would be more than happy to discuss with government the issues that the extension of the Merlin Standard might present for voluntary organisations if we are given further time, information and opportunity.

2.9 What barriers prevent civil society organisations from forming and operating in consortia? How could they be removed?

Age UK is concerned about the increasing emphasis that commissioners have on forming consortia to deliver public sector contracts. It must be recognised by government and commissioners that while some consortia arrangements are highly

successful they are also often high risk and highly resource intensive. We have lots of evidence of consortia being rushed because commissioning processes have not involved active stakeholder involvement and organisations only find out at the point of the tender advert that they are only going to be successful if they form a consortium with other organisations. We know that often there is not the time for organisations to carry out thorough due diligence on each other, or develop the agreements that are needed to ensure that risk is minimised and service delivery can take place. Assessments of consortia also mean that you are only as strong as your weakest member. This could mean that consortia actively avoid extending membership and involvement to smaller organisations that would not score well in tendering assessments due to having less formal systems and fewer quality marks.

We have also heard of commissioners 'forcing' consortia type arrangements on voluntary sector organisations where funding will only continue if consortia with other organisations are formed or funding will be withdrawn. Age UK would like to see the immediate termination of this type of (potentially illegal) activity.

Age UK believes that a more successful way forward could be through the development of prime and sub contractor relationships for public sector service delivery and would encourage commissioners to support this as well as other consortia-type arrangements.

3

To enable commissioners to make strategic commissioning decisions on the basis of a full understanding of the social, environment and economic impact

3.1 What approaches would best support commissioning decisions that consider full social, environment and economic value?

Age UK fully supports the principle that commissioning processes should have due consideration for impact and value. However, we are very concerned about the current emphasis on frameworks such as Social Return on Investment (SROI). SROI is unachievable for many organisations especially smaller ones as it is resource intensive and takes time away from service development and delivery. We also have concerns that commissioners sometimes only focus on the financial proxy of SROI which is subjective and meaningless if it is not viewed within the whole SROI process/picture. Small organisations should not be penalised because they are not large enough or do not have the resources to carry out SROI assessments.

There are many ways that organisations can illustrate their impact and value and commissioning processes should work with providers and stakeholders in order to ensure that for each service the right and most appropriate way of illustrating value is used. Age UK feels the only other option would be to develop a new system instead of SROI which is simpler and that can be applied evenly to all organisations.

4

To enable civil society organisations to support and facilitate the increased involvement of citizens and communities in commissioning

4.1 What role and contributions could civil society organisations place, through Local Healthwatch, in informing the local consumer voice about commissioning?

Age UK agrees with government that commissioning through deep knowledge of communities and specific groups is key. However, the concept of 'Healthwatch' could be viewed as an old-fashioned concept and there needs to be more scope and opportunity for organisations to contribute directly rather than through the lens of a body such as Healthwatch.

Age UK is also concerned about the move from Community Health Councils to Patient Public Involvement to LINKs and now Healthwatch. Age UK would like to see a full assessment of previous models including successes and failures so that any new model is based on lessons learnt.

4.2 What issues relating to civil society organisations should the government consider when refreshing the Joint Strategic Needs Assessment guidance?

Joint Strategic Needs Assessment (JSNA) guidelines should include a duty to involve local voluntary organisations and citizens throughout the process and not just at the end when consulting on the final document. JSNA's should have to include a chapter outlining how organisations have been involved and also how citizens have been consulted, to ensure that people have a chance to be involved.

Age UK also feels that JSNA's need to find a way of having a diverse input and not reliant on the voluntary sector body who has a 'seat at the table'. It is not possible for one body or representative of the voluntary sector to represent the breadth of knowledge, experience and interest throughout the sector and so other ways of involvement must be found.

Using plain language and allowing enough time for responses can make a big difference to the voluntary sector as well as recognising the costs to voluntary organisations who are engaged in JSNA's. JSNA's should remove obstacles like these that prevent engagement with the voluntary Sector and local communities. They should also ensure that learning from good practice takes place.

4.3 How could civil society organisations facilitate, encourage and support community and citizen involvement in decision making about local priorities and services commissioned?

Age UK agrees that voluntary sector organisations are well placed to feed into commissioning processes particularly as the sector can bring together the views of

hard to reach groups and that this capability has been under-utilised in the past in terms of commissioning.

In relation to health, we recognise that the voluntary sector voice is important but this should not be the only focus and is only one piece of the puzzle. It should not be treated as the only way of ensuring patient engagement.

In order to ensure that voluntary organisations are engaged in commissioning processes local relationships need to work effectively. Voluntary organisations have often had to work very hard in building up relationships with commissioners, in the health sector these relationships are now under real risk of disappearing as commissioning functions transfer. We also believe that there is much work to do in informing GP's of the full role that the voluntary sector can offer.

4.4 What forms of support will best enable statutory partners and civil society organisations to improve their working relationships?

Age UK has responded to this question through our consultation response on Supporting a Stronger Civil Society (Question 9).

4.5 What issues should the government consider in the development of the future programme of training public service commissioners?

Training for commissioners including GP commissioners should be compulsory and service users and the voluntary sector should be involved in the development and delivery of the training. The training should ensure that commissioners develop a better understanding of the governance and accountability of the voluntary sector. We have also highlighted the need for commissioners to increase their skills and knowledge in market development.

4.6 What can civil society organisations contribute to the roll out of community budgets? What barriers exist to realising this contribution? How can these barriers be removed?

The main role that voluntary organisations should have in rolling out community budgets is ensuring that those in the community who are often not heard or represented have their views heard and accommodated. This would ensure that those who are most vulnerable and excluded have an opportunity to express their views and community budgets are not controlled or influenced by those with the loudest voice.

4.7 What can civil society organisations contribute to the roll out of Local Integrated Services? What barriers exist to realising this contribution? How can these barriers be removed?

Age UK believes that this approach could be very beneficial for older people, particularly those with complex multiple conditions in receipt of social care and healthcare. However, we recognise that the Turning Point pilots were very small

scale and localised and offered limited solutions for small groups of people. We would to explore further with the Government how these pilots can be scaled up effectively.

Age UK would also like to know how Local Integrated Service models relate to procurement regulations.

4.8 What contributions could civil society organisations make to the extension of personal budgets across a range of service areas? What changes do both commissioners and civil society organisations need to make to adapt to an environment where citizens are commissioning their own services?

Age UK have previously presented our views on personalisation for older people and we still hold concerns about how well personal budgets will work for people with fluid, complex and multiple needs¹. There will be a huge amount of work to ensure that personalisation is rolled out in such a way that makes it suitable for many older people and organisations like Age UK are probably best placed to do this.

We believe that caution should be taken in rushing into extending personal budgets into all services. It is still not clear whether the 'market' will deliver real diversity, choice and value for money in response to 'consumer demand'. As we have previously stated Local Authority commissioners need to develop skills in market management. Also independent brokerage services need to be much more readily and freely available and tailored to a range of specific interests. This includes enabling and supporting service users to come together as a group to pool their budgets in commissioning services.

Age UK has also seen that it is proving very difficult for voluntary sector providers to adapt to an individual 'market' that is taking off much more slowly than originally envisaged, particularly in relation to older people. This has made it very difficult to predict where limited resources should be placed. Age UK would strongly advise the government to invest in this area to ensure that there are a range of provider left in the market place to deliver services.

¹ Government's pre-consultation: The Case for Change – why England needs a new care and support system. Age Concern England response. November 2008

