



Cabinet Office *Modernising Commissioning* consultation – response from ADS (Addiction Dependency Solutions)

Introduction to ADS

ADS is a leading North West regional charity specialising in alcohol and drug services. We work with individuals, families and communities affected by addiction. ADS was set up more than 35 years ago in a small office in Manchester with two members of staff and five volunteers. We now see in excess of 15,000 clients each year, and operate from 29 centres across the region with a workforce of 280 staff and over 200 trained volunteers.

Our core values are at the heart of what we do and how we approach our work. We always put the service user first, involving them in service design and delivery, whilst recognising that the support we provide cannot be delivered in isolation from the communities in which we operate. We deliver services in partnership with a wide range of organisations including health services, local authorities criminal justice agencies. 98% of our funding currently comes from statutory sources.

The Green Paper

We welcome the commitment in the Green Paper to increase the role of civil society organisations in public service delivery. However appropriate measures must be put in place to ensure that all civil society organisations can play a part in this, regardless of their size. The public sector has much to learn from the voluntary sector in terms of creativity and innovation, which appropriately harnessed will strengthen public service delivery and lead to better outcomes for local communities. Sustainable longer term funding is essential to guarantee the continued independence and vitality of the sector, and any changes in commissioning need to take account of this.

Whilst we welcome the publication of the Green Paper, we would like to say that we are surprised and extremely disappointed at the length of the consultation process, which is in clear breach of the Compact.

Our response

Our response focuses on two of the four main questions posed by the Green Paper: how government could make existing public service markets more accessible to civil society organisations; and how civil society organisations could support greater citizen and community involvement in all stages of commissioning. However we also briefly address the questions about new opportunities and the use of assessments.

IN WHICH PUBLIC SERVICE AREAS COULD GOVERNMENT CREATE NEW OPPORTUNITIES FOR CIVIL SOCIETY ORGANISATIONS TO DELIVER?

While we support the introduction of **payment by results**, it is important to note that this creates a need for working capital which will favour larger civil society organisations, and measures must be put in place to ensure that any new opportunities are accessible to all.

Larger organisations can also invest more resources into developing data capture systems, and the government should consider how to **support smaller organisations to evidence the achievement of outcomes**. It is essential that any outcome measures developed are focused, less burdensome than previous process-driven targets have been, and consistent industry-wide.

Payment by results should reflect delivery based on identified need, and encourage sustained outcomes for service users, but it must also take account of the contribution that different organisations make along the client journey. Any payment or funding structure should recognise and **reward intermediate as well as final outcomes**, including 'front end' work around initial engagement of service users.

HOW COULD GOVERNMENT MAKE EXISTING PUBLIC SERVICE MARKETS MORE ACCESSIBLE TO CIVIL SOCIETY ORGANISATIONS?

We are encouraged by the plans to **streamline the procurement process** and introduce a standardised core PQQ. The level of resource commitment currently required to tender for public sector contracts places a large burden on civil society organisations, and often requires them to divert resources from frontline delivery. Commissioners should only request information over and above that in the standard PQQ if there is a clear and specific requirement for this prior to the ITT stage.

Large contract values often discount smaller civil society organisations from tendering exercises. Commissioners could play a bigger role in **introducing partners, prime and sub-contractors and consortia members**. An online register for smaller sub-contractors to register their details and promote services to prime contractors should be considered. Prime contractors should be asked to provide information on how they select sub-contractors based on quality of service offered as much as on price. The inclusion of evidence of fair payment of sub-contractors as part of the analysis of funding models in tenders would be useful.

The government's proposal to **publicise all local authority contracts** should be followed up to force commissioners to actively promote services to local organisations delivering similar services. Local authorities which publicise and outsource current in-house contracts should be incentivised.

Consideration should be given to **reducing the number of re-tenders**. Smaller civil society organisations have fewer resources to commit to tender writing. When they are delivering services that are effective and delivering the required outcomes, commissioners should not have to impose re-tendering exercises every 3-5 years which are costly, time consuming and potentially disruptive to service delivery.

We support the **review of TUPE regulations** which can act as a barrier to civil society organisations becoming involved in the delivery of public services. However it is hard to see how much small and medium-sized charities will benefit from the aspiration to award 25% of government contracts to SMEs whilst the current TUPE legislation remains in place. TUPE requirements can affect the competitiveness of tender applications, lead to disparities between staff salaries and benefits when public sector workers are brought over, and ultimately impact on the long-term sustainability of civil society organisations.

We would welcome consideration of **commissioners being seconded to civil society organisations** as part of their ongoing training in order to better understand the barriers to entry to public service markets that such organisations face.

HOW COULD COMMISSIONERS USE ASSESSMENTS OF SOCIAL, ENVIRONMENTAL AND ECONOMIC VALUE TO INFORM THEIR COMMISSIONING DECISIONS?

We believe that the proposals in the Green Paper provide an opportunity for civil society organisations to **influence the decisions commissioners make** around which services to commission based on local need. They are often ideally placed to advise on the wider social, environmental and economic needs of local residents, particularly those from the so-called 'harder to reach' groups, and should lobby commissioners to take a more holistic approach within the procurement process.

Commissioners should set **key quality standards** that providers are expected to meet regardless of the operational model they employ in order to avoid 'postcode lottery' situations and to ensure consistency in the quality of local service delivery. However these should not be so specific or bureaucratic that innovative approaches to service delivery in meeting local needs are stifled.

HOW COULD CIVIL SOCIETY ORGANISATIONS SUPPORT GREATER CITIZEN AND COMMUNITY INVOLVEMENT IN ALL STAGES OF COMMISSIONING?

Civil society organisations have a **strong history of involving service users**, residents and local communities in service design, delivery and evaluation. As such they can play an important role in supporting greater citizen and community involvement in commissioning, provided that commissioners are receptive to this.

To date public participation in commissioning tends to have been limited to information giving or consultation, suggesting a degree of tokenism. This needs to be translated into **active participation** by involving, collaborating with and empowering local citizens, ensuring that their needs and concerns are reflected in the commissioning process, their advice is sought in developing relevant solutions, and they are actively involved in the decision making process. This will take time to develop properly – there is no 'quick fix' to community involvement and empowerment.

Local residents/community members could be invited onto **procurement panels** which analyse tender applications at all stages, and given equal voting rights to commissioners. Commissioners should ensure that scoring of tender applications is based on evidence, content and identified need, rather than presentation and marketing.

Consideration should be given to **increasing the level of independent scrutiny** of the decisions made by commissioners, ensuring that evidence of the level of citizen/community involvement is provided. The tender process could be widened to incorporate spot visits to services, mystery shoppers, and current client comments (i.e. using an 'experts by experience' approach) – the best bid on paper doesn't necessarily represent the best service provision.

In conclusion

Whilst we welcome the fundamental principles on which this Green Paper is based, it is important that the greater involvement of civil society organisations in public service delivery is not seen as a way of commissioning services 'on the cheap'. Appropriate and adequate support must be provided to enable such organisations to participate in the market on a fair and equal footing, and they should be properly rewarded for the outcomes they achieve at important milestones in the service user's journey.