



Northamptonshire County Council

Modernising Commissioning – A Response to the Green Paper

December 2010

Northamptonshire County Council (NCC) welcomes many of the Government's current plans for modernising commissioning with the Voluntary and Community Sector and indeed finds that these plans reflect much of what we have been seeking to achieve in recent months.

In our efforts to modernise our relationships with the Sector we are striving to excel at, amongst other things,

- Building social capital
- Developing local communities
- Developing local markets
- Commissioning outcomes; and
- Using business intelligence to segment customers and predict demand.

We believe very strongly that effective partnership with the Sector has an important role to play in the achievement of the above.

We have provided links below to our recently agreed Voluntary and Community (Third) Sector Commissioning and Engagement Strategies which outline our plans to enhance the Sector's contribution to our objectives, and which may inform the plans outlined in the Green Paper.

[NCC Third Sector Commissioning Strategy](#)

[NCC Third Sector Engagement Strategy](#)

We have shaped our response to the Green Paper around the key questions asked in the document. The Green Paper seeks views on four key questions and outlines the Government's current plans for discussion:

1. In which public service areas could government create new opportunities for civil society organisations to deliver?

- **Introducing payment by results – so payment is linked to outcomes not inputs;**

We are committed to commissioning by outcomes and in commissioning for our next round of contracts to provide Support and Development (Infrastructure) services to the Sector, we have developed a specification based on an outcomes model. We are aware of the



Ministry of Justice Social Impact Bond pilot at HMP Peterborough and will be looking with interest at this and other models with partners in the Sector.

We recognise that in moving to a Payment by Results model, both colleagues internally and in the Sector may need support and training to manage what is a considerable cultural shift in thinking and in practice.

We would welcome support from government to facilitate this transition.

2. How could government make existing public service markets more accessible to civil society organisations?

- **Cut away unnecessary red tape by streamlining procurement processes;**
- **Improve transparency of public procurement opportunities;**

We would strongly support plans to cut away unnecessary red tape but would offer a word of caution here. Experience tells us that there may be a tension between the desire to improve transparency whilst seeking to streamline procurement processes, as greater transparency will require a degree of bureaucracy to facilitate that improvement. For example, we have found that requests for information under the Freedom of Information Act has led to greater transparency, but has also lead to greater officer time tied up with administering these requests.

Notwithstanding this point, the broad aim of our Commissioning Strategy is to ensure that the commissioning process creates an environment for a healthy Voluntary and Community Sector by making our existing markets more accessible through greater coherence and clarity in the process.

We are committed to reducing the burden of commissioning on both commissioners and voluntary and community organisations and seek to ensure proportionality at all stages of the commissioning process especially in monitoring.

To achieve this we have established an internal Corporate Voluntary and Community Sector Group at Head of Service level which reviews our commissioning processes in terms of proportionality, transparency, fairness and consistency across the authority.

We would refer you to Section 4 of our Commissioning Strategy already cited.

We believe that Government could encourage initiatives like this by rewarding such practice and by encouraging sharing across public service.

- **Address ways to manage the short term movement towards large centralised contracts and move to a decentralised approach in the longer term;**

We believe there are actions which can be taken to improve the chances of the Sector being able to compete equally with other potential providers. In many cases these will



overlap with actions already identified to open up service markets to small and medium sized enterprises more broadly. These might include:

- *the splitting of some contracts into lots, to ensure the resulting supply meets the needs of the whole community, including niche provision for specific groups within that community where necessary, as long as this does not increase overall cost or break EU Procurement rules on disaggregation;*
- *social and environmental clauses included in contracts, where permissible, to encourage supply which is sensitive to the needs of the locality and linked to the wider objectives of the Sustainable Community Strategy and Local Area Agreement; and;*
- *main suppliers encouraged to sub-contract locally where appropriate via use of evaluation criteria that recognises the economic and social benefits to the local community.*

Again, we believe government could encourage initiatives like these by rewarding such practice and by encouraging sharing across public service.

- **Launch a contract finder service, a free facility for small organisations to find procurement and sub-contracting opportunities all in one place.**

We would support the launch of a contract finder service. Indeed, in Source Northamptonshire we have such a facility already in Northamptonshire for organisations and companies searching for contract opportunities with Local Government – see link below. We would be keen to better understand who would resource the proposed contract finder service in order to be able to manage expectations locally.

[Source Northamptonshire](#)

3. How could commissioners use assessments of full social, environmental and economic value to inform their commissioning decisions?

- **Encourage understanding of social and environmental priorities of local people to be considered in the commissioning process;**

We recognise that voluntary and community organisations are ‘value-driven’– that is, they pursue social, environmental or cultural objectives rather than primarily aiming to make a profit, and to that end bring added value to services in line with NCC priorities.

The priority outcomes we at NCC are striving to achieve are:

- **A cleaner, greener and more prosperous county** - thus, we have commissioned services which are also sensitive to local environmental concerns
- **Young people feel engaged** – we commission programmes which encourage young people into volunteering



- **Feel treated with dignity in care** - we ensure service providers offer user involvement programmes.

So by including social and environmental clauses in contracts we encourage supply which is sensitive to the needs of the locality.

There is a need to rationalise assessments into a locality based process and recognise that consultation that is representative has associated costs. There will also be a need to collect certain data that is no longer required nationally.

4. How could civil society organisations support greater citizen and community involvement in all stages of commissioning?

- **Develop a new package of support to enable local civil society organisations and state partners strengthen working relationships;**

We welcome moves which seek to improve working relationships between local civil society organisations and state partners and we are currently participating in the Local Government Improvement and Development Partnership Improvement Programme.

As part of our Third Sector Engagement Strategy we outline the benefits of developing a clear approach to engaging with the Sector.

In doing so, we recognise that the Sector has tremendous strengths as facilitators of stakeholder involvement, as advocates on behalf of certain user groups and as campaigners and lobbyists and we are committed to ensuring, wherever practicable, that the Sector is actively involved in the commissioning process.

In order that VCS organisations support greater involvement in the various stages of commissioning we believe it is incumbent upon them to have a greater understanding of these processes and to share that understanding with stakeholders. At NCC we are developing with our VCS partners a training package which aims to build the Sector's capacity to participate in commissioning. This learning should be cascaded to ensure greater citizen and community involvement.

We believe government should support practical programmes which seek to enable greater user and citizen involvement within the work of VCS organisations and across public service.

Clarity from government would be welcomed around where responsibility will lie for liabilities placed on civil society organisation delivering public services.

- **Roll out 'Community Budgets' which pool funding for local services giving more flexibility to meet local priorities and a joined up approach across the board.**

We support pool funding for local services and indeed have worked with other local state providers to provide joined up services in many areas. For example, in the provision of Local Support and Development Services (Infrastructure) to the Sector, we have pooled



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budgets with NHS and District and Borough partners and have devolved those budgets to the more local statutory partners.

Shared targets/outcomes for partners would assist in achieving a joined up approach, as well as clarity on proposals such as the Health and Wellbeing Board.

At NCC we are making great efforts to improve our partnerships with the Voluntary and Community Sector and in responding to the Green Paper, we are pleased to have been given the opportunity to share our experiences and influence government thinking.

For more information on our work, please contact the Voluntary Sector Support Unit at vssu@northamptonshire.gov.uk

We would be keen for further information on how these changes will be facilitated; whether it be by direct response or the forthcoming Public Service Reform White Paper.