



A BRIDGE BETWEEN TWO WORLDS

A study of support and development organisations
and intelligent commissioning

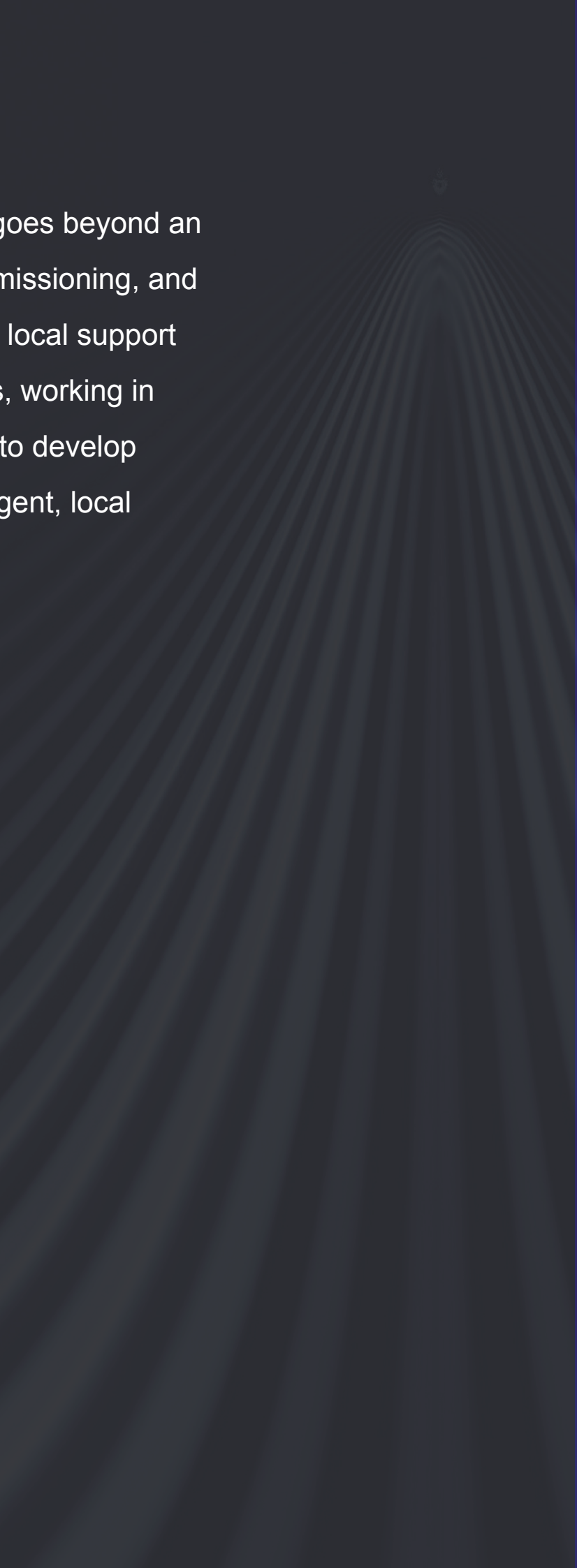

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‘A bridge between two worlds’ goes beyond an explanation or analysis of commissioning, and explores what is being done by local support and development organisations, working in partnership with public bodies, to develop and promote really good, intelligent, local commissioning practices.

INTRODUCTION

WHY THIS PUBLICATION?

There are many publications, reports and guidance documents on commissioning that describe the theory. This publication is not about theory but about real, lived, current experiences. It focuses on the vital role of local support and development organisations in influencing and improving commissioning practices in their areas. It aims to showcase the range of approaches that local support and development organisations, as advocates for and champions of voluntary organisations and community groups, are taking to influence and improve commissioning practices. It captures current issues and highlights what has worked well, informed by extensive research. It is designed to inform and inspire both local support and development organisations and commissioners, by illustrating the very real benefits of commissioning intelligently.

Like it or not, commissioning is here to stay and it is affecting voluntary organisations and community groups, particularly those that want to influence or deliver public services. Local support and development organisations know that commissioning is a challenge for the groups they work with and that many have had negative experiences of getting involved. As one response to our research suggested: “Read your request for submissions on intelligent commissioning – perfectly happy to discuss my experience of dumb commissioning.”

WHAT IS INTELLIGENT COMMISSIONING?

Commissioning is the whole process of deciding what public services are needed, and how best to use the resources available to get the best for local people. Commissioning is not only about public agencies buying and funding new services using contracts and grants: it is also about exploring new ways for commissioners and providers to collaborate to achieve better outcomes.

Intelligent Commissioning is the term used to describe commissioning practices which:

- enable the best outcomes for service users and local communities
- ensure that services deliver value for money
- are rooted in good partnership working and include voluntary organisations and community groups and service users

‘A bridge between two worlds’ goes beyond an explanation or analysis of commissioning, and explores what is being done by local support and development organisations, working in partnership with public bodies, to develop and promote really good, intelligent, local commissioning practices.

There is no single description or definition of ‘intelligent commissioning’. However, some of the key characteristics of intelligent commissioning, that the government, public bodies and voluntary and community sector organisations have identified, are:

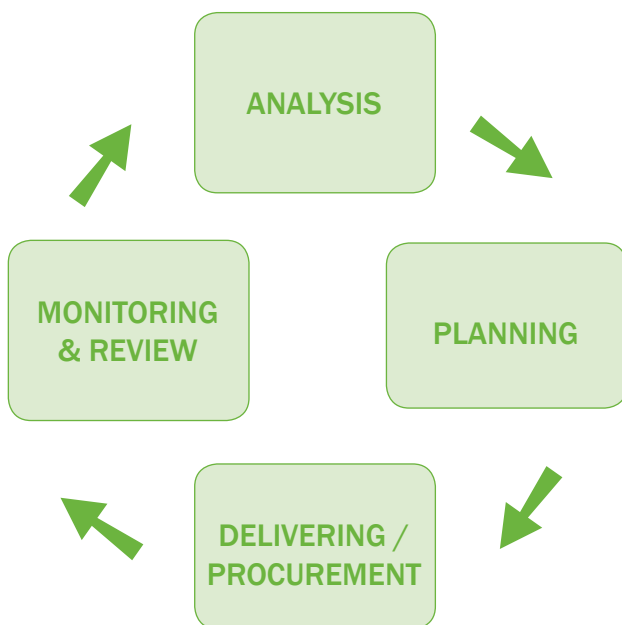
- Commissioning is not at the expense of grant aid. **Grant aid is an important part of the ‘funding mix’** and is vital to all sorts of voluntary and community organisations (VCOs), especially smaller, community groups.
- Local VCOs and service users must be **involved in the planning of the service** to be commissioned, and the commissioning process.
- Service specifications are **outcome focussed**, rather than focussed only on outputs.
- Commissioners consider the **full value** being offered by providers i.e. the wider and multiple benefits not directly connected to the contract, and the value that is created across different areas such as supporting local economies, health, employment, community and social cohesion, education, housing, equality etc.
- Commissioners consider the **whole-life costs** of decisions.
- Commissioners consider the **impact of their commissioning processes on the diversity of the local voluntary and community sector**.
- Commissioning **processes and monitoring requirements are proportionate** to the value of the contract.
- Commissioners **acknowledge that there is not an ‘equal playing field’** and seek to address this in their commissioning processes.
- **Measuring ‘success’ and ‘value for money’** happens in a variety of ways, such as looking at the longer-term and social, environmental and economic benefits and not just unit costs.
- Intelligent commissioning is **not about securing the lowest cost**, and it **does not assume ‘bigger is better’**.

Women’s Resource Centre: Intelligent Commissioning

** In the Health Service, the term World Class Commissioning is used in a very similar way.*

THE COMMISSIONING CYCLE

The simplest representation of the commissioning cycle has four stages. The commissioning cycle is a model – in reality commissioning processes will work in many different ways and may start at different points in the cycle.



The key features of each stage are outlined below.

Analysing needs

Good commissioning starts with understanding local needs. The main purpose of the analysis stage is, therefore, to put together a clear assessment of the needs of the local population, and what services exist to meet them. Intelligent analysis will include information about hard to reach groups, and those who experience poor outcomes from existing services. The analysis stage should

show how, over time, local needs change. It should also show the impact of local services on the lives of local people and communities.

Planning

Effective planning will have a clear focus on identifying solutions that will enable commissioners and providers to meet the needs identified through the analysis stage. Shaping service specifications happens within the planning stage. This requires a focus on outcomes: the specification should state the outcomes for the service, with a focus on what impact funding will have, as well as on what it will deliver. Service users and communities should be at the heart of the whole commissioning process, and this is particularly important at the planning stage.

Procurement

Procurement is often confused with commissioning. However, it is only one part of the commissioning cycle. It is the stage at which services are sourced from providers. The funding mechanism for services to be delivered may be grants or contracts. Procurement follows a fairly standard set of processes, described in *Pathways Through the Maze*.

Monitoring and review

Monitoring and review are separate processes.

Monitoring is the process of collecting information about how each commissioning service is being provided. It involves gathering qualitative measurements and assessments of outcomes, as well as output and financial data.

Monitoring should be proportionate to the size and scale of the contract.

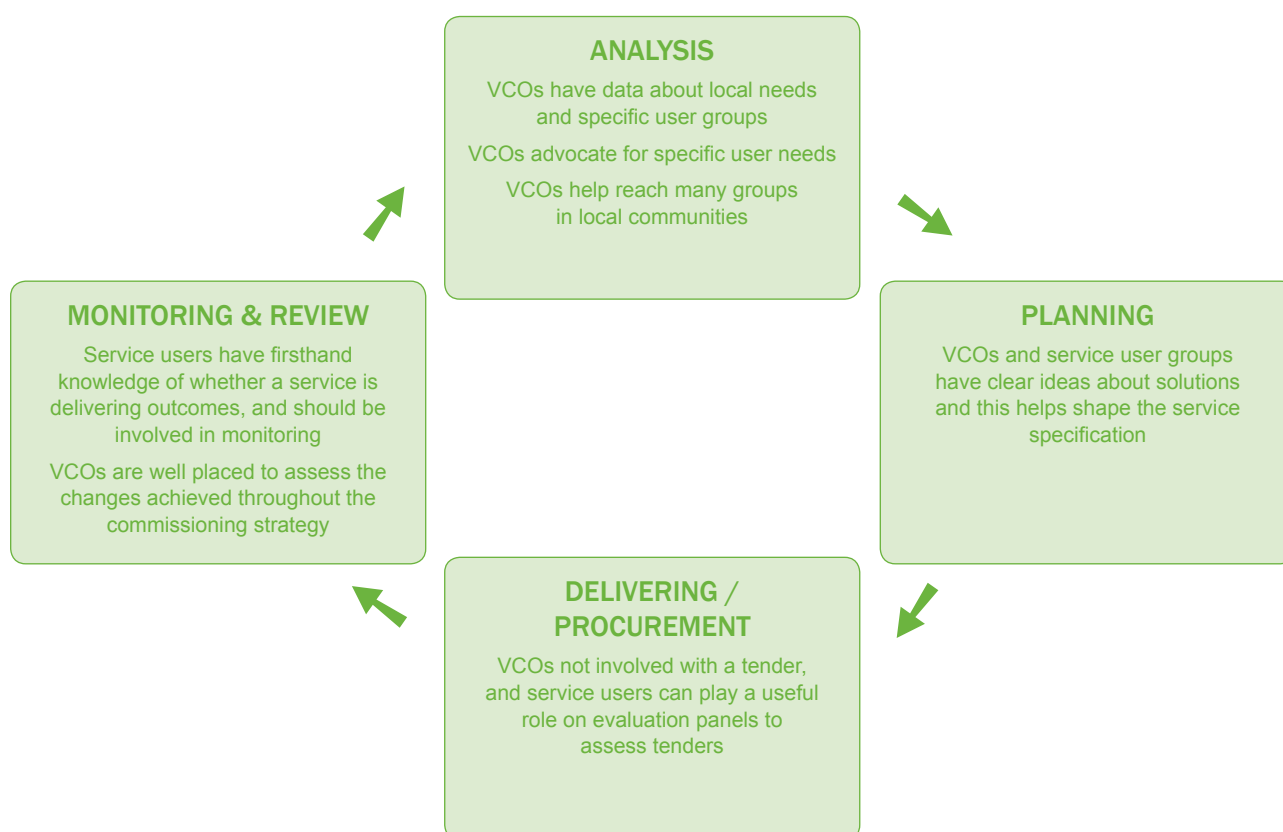
Review considers whether the totality of services have met the aims of the commissioning strategy, and should involve service users.

THE ROLE OF VOLUNTARY ORGANISATIONS AND COMMUNITY GROUPS IN COMMISSIONING

Voluntary organisations and community groups are major providers of public services, and have a key role to play in intelligent commissioning. They have considerable knowledge and expertise about their areas of work, and should be enabled to contribute

to the development and delivery of services through local partnerships. Voluntary organisations and community groups should be involved at every stage of the commissioning cycle.

Commissioners recognise that voluntary organisations and community groups can offer added value, help to build social capital, and offer a social return on investment, all of which contribute to positive outcomes. Commissioners also know that it can be hard for voluntary organisations and community groups to engage with commissioning, and that local support and development organisations have an important role in coordinating their input into all stages of the process.



THE ROLE OF LOCAL SUPPORT AND DEVELOPMENT ORGANISATIONS

Local support and development organisations champion and strengthen local voluntary and community action. They:

- work with voluntary organisations and community groups in their areas, offering information and expertise to support organisations to work effectively
- bring local voluntary organisations and community groups together to learn from each other, to share best practice, and reduce duplication
- create a coordinated voice for the sector to influence policy makers, locally, regionally and/or nationally
- help public bodies engage effectively with voluntary organisations and community groups
- champion local voluntary organisations and community groups

Local support and development organisations are actively involved with developing intelligent commissioning. They often play a vital coordinating role, enabling commissioners and voluntary organisations and community groups to work together more effectively. This is not new work for local support and development organisations, but an extension of partnership and representation work with a specific emphasis on the demands of commissioning.

The drivers for developing this area of work fall into three broad categories. For some local support and development organisations which began working to support intelligent commissioning several years ago, it was often a strategic choice based on analysis of national government policy and political agendas, both local and national. For others, it has been a more recent realisation that commissioning is here to stay and this new environment of open and competitive tendering is a world away from traditional ways that voluntary organisations and community groups work: local authority contracts have gone out to tender, and local providers have lost out to larger national organisations. And where National Indicator 7 ‘Environment for a Thriving Third Sector’ has been adopted by the statutory sector, an opportunity has sometimes presented itself because of the impetus from commissioners.

Some of the roles local support and development organisations have successfully carried out to support intelligent commissioning include:

- Being commissioned to carry out needs analysis
- Facilitating the involvement of voluntary organisations and community groups in developing service specifications
- Developing the market – through supplier directories and meet the commissioner events
- Supporting voluntary organisations and community groups with tendering

- Capacity-building support for voluntary organisations and community groups, including training and mentoring
- Ensuring voluntary organisations and community groups are involved in developing commissioning strategies
- Coordinating the involvement and representation of voluntary organisations and community groups on commissioning boards
- Designing commissioning processes
- Demonstrating the value of the sector to commissioners
- Challenging poor commissioning practice

THE FOCUS OF THIS REPORT

'A bridge between two worlds' identifies real life examples of work by local support and development organisations in England to support their members to develop intelligent commissioning in their areas. Examples have been selected that:

- Make commissioning accessible and transparent
 - Make it easier for commissioners to work with voluntary organisations and community groups
 - Support voluntary organisations and community groups to engage with commissioning, by building their skills and knowledge
 - Are clear about the outcomes they are aiming to achieve
- Can be replicated by other local support and development organisations

This is not an exhaustive report: it provides a snapshot of some of the important key areas of work carried out by local support and development organisations. The research was conducted while cuts in public spending were being announced, including some grants for local voluntary organisations and community groups: unsurprisingly, some local support and development organisations were unable to find the time to talk to the researchers, as they were supporting local organisations in responding to these cuts.

The new government has meant that there are major changes to the policy landscape. Nevertheless, the government has stated clearly that it envisages an even more important role for voluntary and community organisations in delivering public services, and the need for support and development organisations to continue to work with local commissioners remains as high as ever. The principles and recommendations for working effectively with commissioners that are found in this report are therefore every bit if not more relevant now as they were under the former government.

During the research, we discovered a number of examples of commissioners working proactively to support intelligent commissioning, either with or without involvement from a local support and development organisation. These are not the focus of this report, but would merit further investigation.

INTELLIGENT COMMISSIONING IN PRACTICE

This publication gives examples of the wide variety of inspiring work happening across England to support intelligent commissioning. It is organised into five sections, based on the four stages of the commissioning cycle and a final section about the whole process of commissioning. A number of good practice themes are identified in each section, together with success factors and learning points for local support and development organisations.

STAGE 1: ANALYSING NEED

Good commissioning starts with a good understanding of local needs. Data about needs should be both quantitative and qualitative. Commissioners should acknowledge and use the wealth of data that voluntary organisations and community groups have about the needs of their service users; and local support and development organisations should support their members to make this information available and to ensure that service users are involved directly in needs analysis.

Good practice in analysing need involves:

- Using the knowledge of voluntary organisations and community groups and service users to enable a better understanding of local needs
- Being innovative in gathering data, using a range of techniques and stakeholders
- Local support and development organisations playing an active role in needs analysis, both through their support for voluntary organisations and community groups, and their involvement in local partnerships and groupings
- Building good relationships

How are local support and development organisations supporting good practice?

Using the knowledge of voluntary organisations and community groups and service users to enable a better understanding of local needs

Local support and development organisations, voluntary organisations and community groups have much to contribute to a better understanding of local needs. Good needs analysis will include the knowledge base of voluntary organisations and community groups. Local support and development organisations often play a key role at a strategic level in arguing the case for the input of voluntary organisations and community groups and in supporting their members to contribute. Crucially, they themselves may have more capacity, or might be able to access funding to increase their capacity, to carry out effective research to capture local needs, including the needs of disadvantaged and excluded communities.

Voluntary Action LeicesterShire (VAL)

was contracted by Oadby and Wigston Borough Council to support them to develop a commissioning process for advice services. As staff had reduced capacity during a

period of great change in the organisation, VAL matched the funding with some from its main contract with the council, and was able to work with the Centre for Responsible Credit to carry out the research. VAL used various methodologies for analysing local needs, and spoke to current providers about their understanding of needs. They undertook detailed, ward-level analysis and collated a great deal of rich data about the nature of need in the borough, even down to particular roads. Becky Nixon, Deputy Chief Executive at VAL, commented: “This was a great opportunity for us to lead a commissioning process. We had a chance to put the theory into practice and we made it work. Next time we’d want to do it in-house. It’s a service we can promote to other commissioners.”

Community and Voluntary Partners (CVP) in Bolsover was commissioned by the Bolsover Local Strategic Partnership (LSP) to produce a strategy for financial inclusion work across the Bolsover district. The LSP knew that financial inclusion was an issue locally but were not sure what services were needed and what was currently being provided. CVP’s approach built on their community links and involved proactive outreach and consultation. Jon O’Neill, now Financial Inclusion Project Manager at CVP, said: “I didn’t just involve the usual suspects. I went out to people on the streets to find out about their problems and issues.” Funding for the work came from the Working Neighbourhoods Fund through Bolsover District Council. The strategy was delivered to the LSP in June 2009 and informed the commissioning of the service later that year. (See also procurement stage, page 23)

Success factor: Using local knowledge was key to success for both organisations. Both have strong roots in their areas, based on their local work and knowledge of the issues they were researching. This meant they were able to draw information from a wide range of sources (VAL), and from people with relevant experience (BCVP).

Being innovative in gathering data, using a range of techniques and stakeholders

Good needs analysis benefits from innovative approaches to gathering data. Local partners can be creative in their methods, in the systems they use, and in the ways they might seek to fund this work.

AdviceUK’s BOLD Advice Project is working at local level in Nottingham to support advice agencies in their work with Nottingham City Council over the commissioning of city-wide advice services. The council did not wish to adopt a Community Legal Advice Centre structure with the Legal Services Commission, as other local authorities had done, as they felt this would be too inflexible to achieve their objectives. The city council’s Welfare Rights Service, the Advice Nottingham group of advice agencies, and AdviceUK through its BOLD Advice Project came together to apply a ‘systems thinking’ approach to advice provision in the city, with funding from the Baring Foundation. This was informed by AdviceUK’s RADICAL study, published in 2008.

Systems Thinking is a method for redesigning services to bring about improvements. It puts clients at the heart of the service by assessing what they want and value, in their own terms. The service is then redesigned to meet client demand. It is what the client needs to 'pull' from the service that is important, not the targets or administrative systems that have developed over time. Systems Thinking provides a systematic and thorough methodology by which services can check their focus, measure their performance, identify and remove activity that produces waste rather than value for the client, and free up capacity within the system.

It's the System, Stupid!: Radically Rethinking Advice; Report of AdviceUK's RADICAL Advice Project 2007-2008; Advice UK, September 2008: this showed that a large amount of demand for advice services is brought about by the failure of public bodies like the Department for Work and Pensions or Her Majesty's Revenue and Customs to get things right (ie it's the system that's the problem).

In early 2009, advisors became actively involved in work to understand the client experience (through asking them), and to examine in detail how advice services operate as part of a wider system that includes public bodies, funders and regulators. This resulted in a clear understanding of the demand for advice and the impact of system conditions. This work is now being taken forward to redesign advice services from a service user perspective. (See also planning and developing the market stage, page 12)

Success factor: Commissioning frameworks are helpful. Nottingham City Council has a corporate commissioning framework that is very explicit about the value of voluntary organisations and community groups, local provision and collaboration, and this really helped by providing a context for innovative work. Nottingham CVS worked closely with the city council on developing this framework.

Voluntary Action Wakefield and District (VAWD) manages and runs the Healthier Communities Fund, funded by NHS Wakefield District. The investment fund is for voluntary organisations and community groups to develop and run health activities within two themes: childhood obesity projects, and projects for those with long-term conditions. The PCT understands the value of voluntary organisations and community groups and is keen to see the sector become more commissioning-ready – the Healthier Communities Fund is one mechanism for

this. Through the fund, VAWD is able to reach and support small organisations who would not otherwise engage with commissioning. VAWD has brought commissioners and voluntary organisations and community groups together in a number of meetings, to share information: this has fed into needs assessment and service planning at the PCT. Simon Rowe, Commissioning Manager for Long Term Conditions, commented: “The work may prompt changes in the delivery of overall care approaches.” (See also planning and developing the market stage, page 12)

Success factor: Commitment from the PCT was demonstrated by the attendance of senior PCT officers at meetings of small providers, and helped to encourage groups to engage with commissioning.

Local support and development organisations playing an active role in needs analysis, both through their support for voluntary organisations and community groups, and their involvement in local partnerships and groupings

Different areas and commissioning authorities have different mechanisms for gathering information about local needs. In Gloucestershire, for example, commissioners use a shared database known as MAIDEN: the Multi Agency Database for Neighbourhoods. Some commissioning authorities collate data from the Common Assessment Framework (CAF) for children and young people. Some housing authorities

have shared mechanisms through their Housing Registers. Supporting People Strategies also add to the data available for needs assessments. Each PCT compiles a Joint Strategic Needs Analysis (JSNA), and this is a major data source that influences the needs analysis in local commissioning strategies. The JSNA identifies the ‘big picture’ of the health and wellbeing needs and inequalities of the local population.

Local support and development organisations have a key role to play with all this data. They can encourage collaboration among their members, so that information-gathering is complete and robust, and they can collate information and feed this into the strategic processes. Small voluntary organisations and community groups are ideally placed to contribute to JSNAs and other needs assessment exercises, but local authorities and primary care trusts often have little knowledge about them. Creating this awareness is an important role for local support and development organisations.

VONNE, the Voluntary Organisations’ Network North East, described how voluntary organisations and community groups are ideally placed to provide data and supporting information: “In Middlesbrough the process [of pulling together the health and social care needs of local populations] has been helped by a positive partnership with local authority and PCT managers. Middlesbrough Voluntary Development Agency’s work with three VCOs has resulted in a new section on abuse being included in the JSNA. Barnardo’s SECOS

(sexual exploitation), My Sister's Place (domestic violence), and Women's Support Network (sexual abuse) worked alongside each other to provide a consistent set of data and supporting information... This type of collaboration can offer a method of ensuring that JSNAs reflect real need within a locality."

Source: The Vine: spring 2010 issue (36). The Vine is VONNE's newsletter.

Success factor: Voluntary organisations and community groups often have **detailed knowledge of unmet needs**: this can be invaluable to statutory partners, particularly those who are willing to listen to new and emerging data about needs.

Building good relationships

Building good relationships with commissioners and other public sector staff is time well spent and provides the foundation for intelligent commissioning. It enables commissioners to develop a greater understanding of the role of local support and development organisations, of the extent of their expertise and knowledge, and the many ways in which they can help with commissioning.

Voluntary Action LeicesterShire's Deputy Chief Executive, Becky Nixon, explained: "We told the borough council's CEO that we could help them do something a bit different that would take them in front of the other district councils, and he liked that."

Nottingham CVS worked closely with Nottingham City Council to develop a corporate commissioning framework that is very explicit about the value of voluntary organisations and community groups, local provision and collaboration. This was invaluable for advice agencies. Simon Johnson, AdviceUK's BOLD Advice Project Coordinator, commented: "The commissioning framework was really helpful, and the key players shared common goals."

Success factor: The benefits of involving **voluntary organisations and community groups** in needs assessment were sold to commissioners: they could see why it is worth developing good relationships and could understand the benefits for their organisation.

Building good relationships with commissioners and other public sector staff is time well spent and provides the foundation for intelligent commissioning.

Learning points for local support and development organisations

1. There are many different ways to gather information about local needs. It doesn't have to be complicated, but it does have to be systematic, rather than anecdotal, to be credible.
2. If the needs assessment is done well, then the rest of the commissioning process is more likely to work.
3. Encourage commissioners to work with (and fund!) voluntary organisations and community groups to reach out to people that commissioners will never hear from.
4. Innovation in analysing needs brings a range of positive outcomes, but it does have to be effectively resourced. Commissioners often see this as part of the 'core funded' work of local support and development organisations, but supporting local needs analysis is often additional work. This may need to be negotiated with care, especially in the current economic climate.
5. Good relationships with commissioners are the foundation for the whole process of commissioning, including needs analysis.
6. Small local groups often have good information on local needs, but may need encouragement and facilitation to collaborate and coordinate their input to needs assessment.

STAGE 2: PLANNING (INCLUDING DEVELOPING THE MARKET)

Planning needs to match:

- **Needs:** What services are required to meet local needs?
- **Resources:** What resources (money, time, in kind support) can commissioners put towards these services?
- **Outcomes:** What outcomes do commissioners want the service to achieve?
- **Providers, or the market:** What organisations are there that provide quality services? What can commissioners do, if they need more/different providers?

From The Good Commissioning Guide

Shaping service specifications happens within the planning stage. This requires a focus on outcomes: the specification should state the outcomes for the service, with a focus on what impact funding will have, as well as what it will deliver. Service users and communities should be at the heart of the whole commissioning process, and this is particularly important at the planning stage.

Local support and development organisations have an important role to play in the planning stage. They can work with commissioners to support voluntary organisations and community groups to play a central role in the developing provider market. This is a role

that faces both ways: commissioners need to be made aware of the range and roles of local voluntary organisations and community groups; and voluntary organisations and community groups need to be supported to play the fullest role in the provider market.

Good practice in planning involves:

- Involving voluntary organisations and community groups in developing service specifications
- Developing the provider market of voluntary organisations and community groups
- Promoting what voluntary organisations and community groups can offer
- Supporting voluntary organisations and community groups to become tender-ready

How are local support and development organisations supporting good practice?

Involving voluntary organisations and community groups in developing service specifications

Local support and development organisations build bridges between commissioners and communities. They can help to ensure that voluntary organisations and community groups are involved in discussion not only about local needs but also, crucially, about how these needs should be met. This involves being clear about the desired outcomes and about innovative ways of meeting those outcomes.

Voluntary Action LeicesterShire (VAL) worked with Oadby and Wigston Borough Council to develop the commissioning process for advice services across the borough. A key part of their approach was to run a focus group of local and county-wide organisations to discuss the draft service specification. VAL was clear that although they were seeking views, they were not making the decisions – that was down to the commissioner.

The focus group recommended that the service had to be based in the most deprived part of the borough, had to recruit local volunteers, and had to inform and influence local public agencies' policy and practice. Local providers wanted to ensure the service would be run based on principles important to voluntary organisations and community groups no matter what sector the ultimate provider came from, and that consideration was given to the added value that advice services brought to the borough beyond purely dealing with individual enquiries.

These considerations were included in the service specification. One of the outcomes was that the advice service continued to be provided within the borough, as the specification was designed to embed the services in the local community rather than being run from somewhere else and only dropping in and out to provide advice sessions, or being a purely telephone-based casework service. The new contract was secured by a local voluntary organisation. All the potential bidders who were involved in the design of the specification found that the VAL-led process was clear and transparent.

Success factor: Stakeholder involvement in the planning stage happened through the focus group. This tested VAL's assumptions about need with key stakeholders who had in-depth local knowledge. The focus group participants were also very positive about being involved in developing the specification.

Local support and development organisations can bring their local knowledge and their contacts with local groups and specific interests to the table. This is a particularly important role in relation to groups representing minority communities, or overlooked needs. It can also be important when arguing the case for the role of local voluntary organisations and community groups in commissioning.

Greater Manchester Centre for Voluntary Organisation (GMCVO) worked with health commissioners on a specification for a service for people with Hepatitis C, which is a big issue in the Pakistani community in the area. They were able to ensure that evidence of local community links was an important part of the specification. A local group, the Black Health Agency, won the tender against competitors which included national organisations.

Oxfordshire Community and Voluntary Action (OCVA) realised that in Oxfordshire, almost all Oxfordshire County Council contracts that have gone out to tender were advertised on the South East Business portal, even for small amounts of money. In a number

of cases local providers have lost out to organisations that are out of the county. The Oxfordshire Stronger Communities Alliance (OSCA), a partnership that represents the interests of voluntary organisations and community groups in the county, is concerned at this trend and a working party has recently been formed to investigate this. The group is considering how to strengthen local voluntary organisations and community groups so that they are better able to compete in the market place, and whether local knowledge and local links and the benefits of these networks might be included in tender specifications. Representatives on the working party include individuals from OCVA, other voluntary organisations and community groups, NHS Oxfordshire, and the county council's procurement team. Kate Hill, Strategic Partnerships Officer at OCVA, commented: "It's too early to say what the outcomes of this will be, but it's already building relationships between OSCA and the procurement team, which can only be a good thing. I've been encouraged by the willingness of statutory partners to want to address this – the engagement is there."

Developing the provider market of voluntary organisations and community groups

Designing outcomes-based services and putting them out to tender involves commissioners understanding, and often developing, the market of local providers. Local support and development organisations can play a vital role with this aspect of commissioning. Many small, local providers can offer innovative and cost-effective

solutions. However, some may need specific support to build their capacity in order to succeed, and brokering or providing this support is a core role for local support and development organisations.

A further role is to promote the work of voluntary organisations and community groups to commissioners. Some local support and development organisations have become involved with 'market place events' with commissioners; and with the production of provider directories.

Market place events

These are events at which commissioners and voluntary organisations and community groups can meet each other, share information and build relationships. Voluntary organisations and community groups have an opportunity to meet commissioners, and to promote their services; while commissioners gain greater knowledge of the range of local providers. The benefits are seen in the growing profile of voluntary organisations and community groups, and the development of relationships that underpin good commissioning practice.

Voluntary Action Wakefield and District (VAWD) and Wakefield PCT found that their market place events have helped to remove barriers to the involvement of voluntary organisations and community groups in commissioning. Peter Foyle, Healthier Communities Coordinator at VAWD, explained: "At first the commissioners weren't sure that they should talk to voluntary organisations and community groups because

they thought there might be a conflict of interest if they were potential providers. We helped them to see that this wasn't the case and it would actually help them to know more about needs and current provision, and that this would improve the whole process."

The Women's Resource Centre (WRC) has worked with local support and development organisations in nine London boroughs to organise borough surgeries. The aim of these surgeries is to make direct contact between commissioners and women's organisations, and to promote the work of the women's voluntary sector. The local support and development organisations market these surgeries to relevant organisations on their mailing lists, find a venue, and put WRC in touch with the right commissioners (if they can), as WRC does not have direct local links. Commissioners are invited to come and talk at the surgeries, which focus not just on commissioning but also sustainability. Supriya Horn, Head of Sustainable Development for WRC, commented: "It's been a real collaborative exercise between us as a specialist national organisation and local support and development organisations in London."

The surgeries have enabled WRC to make contact with commissioners about policy and to pass on key messages about the importance of the women's voluntary sector. Commissioners have commented that they have found it extremely useful to come and meet the range of women's groups at the surgeries, and to understand the wide range

of services they can provide. Some have said that they have continued their contacts with organisations they met at the surgeries and have developed ongoing relationships as a result of the event. Supriya Horn said: “Many commissioners said they hadn’t realised the work that women’s organisations do, and attending the surgery means it has now put these organisations firmly on their radar.”

Halton Voluntary Action (Halton VA) and **St Helens CVS** are running twice-yearly events to bring voluntary organisations and community groups and local commissioners together. At the first one in January 2010, commissioners talked about their portfolios and how they see voluntary organisations and community groups contributing: there was a good turnout from the PCT, and it created dialogue directly between commissioners and voluntary organisations and community groups. In September the event was a trade show and exhibition of voluntary organisations and community groups.

In Somerset, the **Voluntary Sector Training Alliance (ViSTA)** organised a ‘What’s in Store for Somerset’ conference in 2009, where they brought voluntary organisations and community groups and public sector officers together to discuss need in communities in the county, and to share market intelligence. **GMCVO, Voluntary Action Sheffield, Voluntary Action Rotherham** and **Greenwich Action for Voluntary Service** are all among the growing number of local support and development organisations to run ‘meet the commissioner’ or ‘meet the buyer’ events

for voluntary organisations and community groups.

Success factor: Bringing commissioners and providers together on ‘**neutral**’ ground has been a relatively simple way to begin to build understanding and relationships.

Provider directories of voluntary organisations and community groups

Another role that local support and development organisations can play to help develop the provider market is to produce directories listing local voluntary organisations and community groups who can engage with commissioning.

Halton VA and St Helens CVS have been supporting Halton and St Helens PCT to work with voluntary organisations and community groups. To make it easier for the PCT to find out what these organisations and groups do, the two local support and development organisations developed the ‘Here to Help’ supplier directory which went online as a fully searchable resource in September. It is also available in hard copy. Entries include a match to NHS priorities and the PCT’s Key Performance Indicators. As a result of developing their directory profiles, voluntary organisations and community groups have a better understanding of how to sell what they do to the PCT. They are also benefiting from their exposure at high level in the PCT: there is now more investment from the PCT across both boroughs.

For the PCT, there was real benefit from the involvement of the two local support and development organisations, who made the process of finding out about local voluntary organisations and community groups an easy one for their statutory partner. While compiling the directory was a large task for Halton VA and St Helens CVS, they were careful not to let the PCT get bogged down in any of the detail. In this way, they achieved their goal: clear information for commissioners about local providers – although the process was not always straightforward!

The Halton and St Helens supplier directory was showcased in May as part of a consultation event coordinated by **Greater Merseyside Tendering and Procurement Support Service** (see also procurement stage, page 23) on behalf of **Voluntary Sector North West (VSNW)**. Hosted and facilitated by the University of Central Lancashire's School of Communities, Rights and Inclusion, an invited focus group of public sector commissioners and procurement officers discussed whether there is a demand for supplier directories of voluntary organisations and community groups, and explored preferred format and content. The event was organised as part of a larger research project focused on the potential development of standardised North West supplier directories of voluntary organisations and community groups. The final research report is called the Third Sector Directories Research Project.

In Greater Manchester, the online mapping of suppliers undertaken by **GMCVO** has

led to an unintended outcome for voluntary organisations and community groups: they have been sizing up the competition, and it has supported collaboration between them. For GMCVO, an outcome of raising the profile of the sector has been that they have gained greater strategic influence: for example, they are now part of the Greater Manchester public health network.

Success factor: The supplier directories are easy to understand and clear about the services that can be provided by voluntary organisations and community groups. They have sufficient detail to be useful and are available in formats that are accessible to commissioners.

Promoting what voluntary organisations and community groups can offer

Often commissioners are unaware of the vital role that voluntary organisations and community groups already play in delivering services in their area. Local support and development organisations can open commissioners' eyes to the social and economic impact of the sector and to possibilities for strategic development to expand this further.

Halton and St Helens PCT had no idea about the range of voluntary organisations and community groups they supported: the PCT kept no records, and did no joint work with them. **Halton VA** and **St Helens CVS** worked together to change this situation. Debbie

Dalby, CEO at Halton VA, was seconded to work with the PCT for six months on a part-time basis, to research the extent of their contracts with the sector and present this as a report. The PCT believed that they supported 27 voluntary organisations and community groups with £2m, but it was actually 68 organisations and groups with £8m in funding. Debbie subsequently helped them put in place a service level agreement for each organisation: previously, the PCT had not registered or monitored any funding under £200,000. The two local support and development organisations then looked at the whole commissioning cycle and offered to give commissioners information about voluntary organisations and community groups who were providers, both current and potential. Market development work identified a gap in services around cancer care, which has now been addressed by local voluntary sector hospices.

When Halton and St Helens PCT went through the Transforming Community Services exercise in early 2010 to discuss and agree their approach to separating the provider and commissioner functions, they decided to invite a number of providers to present to a panel that was made up of their Senior Executive Team, CEO, Head of Finance, and others. Halton VA and St Helens CVS were invited, on behalf of local voluntary organisations and community groups, to present the offer in terms of delivering local services, alongside the Mental Health NHS Trust, the two acute NHS Trusts, the two local authorities, and others. Sally Yeoman, CEO at St Helens CVS,

commented: “We believe our invitation was largely due to the level of time and investment we had put into cultivating a relationship with the PCT. We received feedback from the panel that they had developed a greater understanding of the role and work of the voluntary and community sector locally and wanted to allocate a percentage of services to the sector to deliver – which was something we had suggested in the presentation.”

Work then began on the new specifications and it was agreed that further discussions would take place on what that would mean in terms of an actual percentage. The PCT has reiterated its commitment to working with local voluntary organisations and community groups to deliver services. Dave Sweeney, Operational Director, Partnership Commissioning at the PCT, explained: “What we’ve managed to do is shield the sector – as of September 2010, there has been very little financial instability for PCT funded organisations.”

Success factor: The two local support and development organisations were very clear that **voluntary organisations and community groups must be seen in a positive light**: their approach was to go in and sell the benefits.

In an Audit Commission review of health inequalities in 2006-07, Greater Manchester came out as the second worst area in England. A key recommendation in the

review was for better and more productive commissioning from voluntary organisations and community groups to keep people healthy, with a focus on self-care and prevention. Each of the PCTs contributed to enable a Health Partnership Officer post to be established, based at **GMCVO**. The health partnership work began with a scoping exercise to see what was being commissioned and how: a report produced in 2008, called *Commissioning Possible*, was well received. This mapping of voluntary organisations' and community groups' contribution to health outcomes across the care continuum is a hit with commissioners – see www.voluntarysectorhealth.org.uk. There are 12,000 voluntary organisations and community groups in Manchester and about 65% have a health and social care remit, but so far only 100 are included in the mapping.

Neil Walbran, Health Partnership Officer at GMCVO, commented: "We've helped to breach the information gap and put commissioners and the sector in touch with each other. As a result we have a seat at tables that we didn't have before." He feels that the strengthening of relationships between sectors has also led to a maturing of the approach of voluntary organisations and community groups to partnership working: "Their culture and attitude has changed from 'this is our entitlement' to 'this is how we can help you to meet your objectives, and we can save you money too'."

In the London area, the previous commissioning process in Greenwich about

two years ago was disastrous and left both Greenwich Borough Council and voluntary organisations and community groups scarred. The borough council has been trying to do it better this time, with a major focus on consultation, working with **Greenwich Action for Voluntary Service (GAVS)**. Naomi Goldberg, Chief Executive at GAVS, used to be a council officer: "I can speak their language". She and GAVS' three development officers, each with a portfolio area that corresponds loosely with the council's – Adult and Older People's Services; Children's Services; and BME, community centres and the rest – have all had an input into the corporate consultation framework and also to service outlines. Voluntary organisations and community groups now have better relationships with the council, particularly with Children's Services. An outcome for commissioners has been more mature conversations with voluntary organisations and community groups.

The Devon Consortium of CVSs has secured funding from the Big Lottery's BASIS programme to set up the Total Support Project, which aims to meet all the support needs of local voluntary organisations and community groups across the county. Total Support has worked with the National Programme for Third Sector Commissioning (IDeA, now Local Government Improvement and Development) and is using the Institute for Voluntary Action Research to facilitate the process of setting up a Commissioning Round Table. This is a dialogue-based process facilitated in a way that enables all parties

to listen to the real challenges faced by all within the commissioning process. Its focus is on building relationships and addressing head-on how people are prepared to shift, or what is needed so they are able to shift, in order to make commissioning work to deliver best value for local communities. Although work is only just beginning, the Round Table has already enabled some difficult issues to be addressed, including the need for simpler processes on the Devon County Council Procurement Portal for small voluntary organisations and community groups.

Nottingham CVS has been commissioned by NHS Nottingham City to build the capacity of voluntary and community sector providers to deliver commissioned contracts. Surveys identified that providers were at times frustrated by procurement processes and the lack of guidance and support to effectively navigate through them. One provider commented: “There was a big assumption made that all voluntary and community sector providers understood how to respond appropriately in a competitive tendering situation.” PCT Commissioning Managers had a different perspective and felt that the sector didn’t have business planning skills, and that it needed to present itself in a different way.

In response, Nottingham CVS developed a procurement training course in partnership with the PCT Procurement Manager. It became apparent that there was a real value in the attendance of a commissioning manager at the training sessions. This helped to support the messages communicated

through the training and meant that they could field questions from providers who often had limited opportunities to directly speak to commissioners. An unexpected benefit was a constructive debate about how procurement processes could be structured to develop the market for provision from voluntary organisations and community groups.

The training has helped to foster a greater understanding in the PCT of how voluntary organisations and community groups are different from the public or private sectors, and about what the PCT, as a commissioner, needs to do to develop the voluntary and community sector provider market. It has also enabled dialogue about this between the sectors, reinforcing a partnership approach.

Organisations were referred to the CVS’s Group Development Team to address issues identified during the training. This work was funded by NHS Nottingham City. Health groups have also been offered business mentoring from private sector Business Champions to help them put plans and strategies together.

Success factor: Commissioners and providers need to understand each other’s worlds.

Supporting voluntary organisations and community groups to become commissioning ready

Voluntary organisations and community groups have a range of support needs that span the whole of the commissioning cycle, including:

- Financial planning, and developing full cost recovery budgets
- Training about procurement, writing tenders and bidding
- Working in consortia and sub-contracting
- Managing change
- Developing outcomes and demonstrating the impact of their services

Training and support

Many local support and development organisations already provide a wide range of training and support services for delivery organisations, and some have expanded these to include services focussed on helping groups to become commissioning-ready.

Voluntary Action Wakefield & District is delivering capacity-building support, funded by the PCT's Healthier Communities funding. The PCT has also put some seed money into the setting-up of a Wellbeing Consortium: VAWD has helped to establish this.

Halton VA has a post funded by the PCT to build the capacity of groups in the 'Here to Help' directory, so that they can meet local targets and indicators.

AdviceUK's BOLD Project in Nottingham has included supporting the development of more understanding and better working relationships between the voluntary and community sector advice providers and the city council. Following a partnership workshop in June 2010, Simon Johnson, BOLD Advice Project Coordinator, has drafted an outline partnership agreement which clarifies and formalises the relationships so that expectations are clear and partners can work together more effectively.

In Somerset, **ViSTA** offers free HR and financial management support to better prepare organisations for commissioning: this has been funded through Capacitybuilders.

Tamworth CVS has worked with Tamworth Borough Council on building the capacity of voluntary organisations and community groups. They have jointly coordinated training sessions on tendering, risk management, and Equality Impact Assessment, and also ran feedback sessions after the first commissioning round on the dos and don'ts of bidding: these were planned jointly by Nicky Burns, CEO at the CVS, and an officer from the borough council. Dawn Candy, Coordinator at Homestart, who participated in the training, said: "The training sessions on how to put together a tender were excellent, much more relevant than other courses I've been on. I have a much better understanding of what commissioners are looking for now. If you know the rules then you can play by them."

Developing a local quality mark

Halton VA and St Helens CVS have developed a local quality mark that is accepted by Halton and St Helens PCT and the two local authorities. The Star Quality Mark is cross-referenced with PQASSO, ISO 9001 and 1401, Investors in People and Matrix, and is being launched this autumn. Star Quality Marks will be included in the 'Here to Help' supplier information, and will give commissioners an assurance of the quality of the provider. Debbie Dalby, CEO at Halton VA, commented: "None of the 'mainstream' standards translate, and the public sector doesn't know about PQASSO. I don't want to give the PCT or the borough council any excuse not to work with voluntary organisations and community groups."

Catalyst in Stockton-on-Tees is developing a Third Sector Assurance Mark, which it is envisaged will have five levels, with level 5 reserved for organisations with existing quality marks such as ISO 9001 and IIP. Although it is still early days, they are hoping that this might lead to a Pre Qualification Questionnaire not being required if organisations have attained level 5.

Learning points for local support and development organisations

1. Building good relationships with commissioners is key (again!). Having a key ally in the PCT/LA is even better.
2. Ensure the focus of what you do is on helping the commissioners and making life easier for them.
3. Be positive about the sector and what it can achieve. Gather evidence about its contribution and promote this as widely as possible so that commissioners take voluntary organisations and community groups seriously.
4. Local support and development organisations have to get through to voluntary organisations and community groups that they must take commissioning seriously. This may involve banging heads together or using scare tactics!
5. Translation and interpretation are important skills to master: learn to speak commissioners' language, and help them to understand something of the language of voluntary organisations and community groups.
6. Keep communication with commissioners and voluntary organisations and community groups frequent, simple, and clear.
7. Target commissioners at senior level and ensure that any joint projects report at a level that can influence the commissioning organisation's policy and practice.

STAGE 3: PROCUREMENT

Procurement is probably the most talked about and sometimes the most controversial stage of the commissioning cycle. It is governed by a complex legal framework of European legislation. Both commissioners and voluntary organisations and community groups need to be clear about when a formal procurement process, as distinct from a wider commissioning process, begins. Although the procurement process is primarily commissioner-led, local support and development organisations have a vital role to play in:

- working strategically with commissioning authorities to ensure that the processes used for procurement are fair, inclusive and transparent
- supporting the development of partnerships and consortia of voluntary organisations and community groups, to enable voluntary and community sector providers to bid for bigger contracts
- building the knowledge and understanding of voluntary organisations and community groups about procurement, and offering practical support to their members, such as training on tendering and procurement, tender alerts, or support with bids

A major challenge for local support and development organisations is how to shift thinking in voluntary organisations and community groups. Tony Halifax, Commissioning and Procurement Officer at

South Lincolnshire CVS, explained: “There are lots of opportunities for voluntary organisations and community groups, especially in health and personalised budgets, but the mentality is still chasing grants rather than ‘what can we do to help you?’” Allison Agius, Executive Director at Catalyst, commented: “Voluntary organisations and community groups need to be mindful of the public sector’s statutory responsibilities – and they need to think more about the communities they serve, and less about organisational survival. They need to answer, honestly, questions like ‘are we the best placed organisation to deliver?’”

Good practice in procurement involves:

- Influencing processes at a strategic level
- The involvement of voluntary organisations and community groups in procurement
- Developing partnerships and consortia of voluntary organisations and community groups
- Supporting voluntary organisations and community groups to tender

How are local support and development organisations supporting good practice?

Influencing processes at a strategic level

There is a view among many commissioning authorities that their hands are tied by the European legislation that governs procurement, and that this limits their flexibility in terms of procurement processes. While this is true to some degree, commissioners

need to understand and use the flexibility that the legislation allows them. Some use the same processes for very large and quite small contracts. As a result, paperwork such as the Pre Qualifying Questionnaire (PQQ) often excludes small, local voluntary organisations and community groups who deliver specific services in their communities and are unable to provide all the information needed, or cannot demonstrate a track record in matters such as long-term, large-scale financial viability.

Local support and development organisations can play an important role in working with commissioning authorities at a strategic level, to ensure that procurement processes are appropriate for voluntary organisations and community groups.

Voluntary Action Kirklees and Kirklees Council have worked together on a three-year project called 'The Civic Partnership'. This was funded by HM Treasury. Partnership working across the public and voluntary sectors was integral to the success of the project: the project manager was employed by the council but based with Voluntary Action Kirklees. She organised a 15-month Partnership Academy: a learning and development programme for eight commissioning managers and eight chief executives from voluntary organisations and community groups. With sessions over a period of 15 months, this included a joint commissioning and service redesign course run by the Institute of Public Care. The core group then worked as a 'think and do' tank on a number of knotty issues, including some

potential new service specifications, with the aim of developing new ways of working and learning.

The project was particularly successful in building relationships and increasing understanding between the sectors. Those involved developed effective processes within their own spheres of influence. However, with hindsight it was based in one department and "there wasn't enough corporate ownership when it came to implementation across the whole of the council and public sector partners." Also, in the short term, it did not make the anticipated savings on the overall cost of commissioning, which is what the Treasury and commissioners were looking for. The project ran for a finite period, and ended in 2010 when its funding came to an end.

Greater Merseyside ChangeUp Consortium, through the Greater Merseyside Tendering and Procurement Support Service (TaPS), sought to bring procurement officers from the five local authorities together to examine ways of streamlining and harmonising procurement processes. This proved impossible: processes were embedded in each authority, and creating a more level playing field for voluntary organisations and community groups was not a policy priority for them. TaPS decided to try a different approach to influencing commissioners and procurement staff, and invited the Head of Procurement at Sefton Council, who leads the Merseyside Collaborative Procurement Group, to join the TaPS steering group. He feeds back issues around tendering processes

into the group, with a view to simplification or standardisation.

Corporate support has enabled some local support and development organisations to influence practice at a strategic level with commissioning authorities.

Isle of Wight Rural Community Council (RCC) Chief Officer Michael Bulpitt has worked with Council Partnerships Manager Martin Johnson to develop an approach to commissioning that is specifically targeted at local voluntary organisations and community groups, to ensure they continue to receive funding to continue to deliver local voluntary- and community-led services. The impetus for this came after Michael attended a tendering workshop and became concerned about the impact of procurement on small and medium-sized voluntary organisations and community groups: how many organisations would not be able to compete in the procurement arena, no matter how skilled they became.

The RCC and the council jointly researched practice elsewhere, followed up on approaches to commissioning with voluntary organisations and community groups in Birmingham, where the city council has Beacon status, and promoted an alternative to standard procurement for the Isle of Wight. Council officer Martin Johnson championed the idea of grant funding within a competitive system to colleagues in the IoW Council, and he and Michael worked together to simplify the Birmingham process. The outcome is the development of commissioning prospectuses

for services, which are funded by a competitive grants system.

www.eco-island.org.uk/change_island/prospectushome.aspx

Martin secured the active support of the council's Chief Executive, who won the support of elected members. The procurement and legal departments have both had input into the process.

The prospectus system is outcomes-focused, and allows for a great deal of scope for creativity and flexibility. It is a relatively simple and straightforward process, and this makes it cheaper to administer than procurement. Martin Johnson commented: "It is more efficient than contract-based alternatives, and that's helped embed it in the council."

Involvement of voluntary organisations and community groups in procurement decisions and processes

Representatives from voluntary organisations and community groups and representatives from service user organisations are on the appraisal panels for each commissioning prospectus on the Isle of Wight.

Representatives from voluntary organisations and community groups are drawn from organisations that do not have an interest in providing the services that make up the prospectus in question, so there is no conflict of interest.

In Rotherham, voluntary organisations and community groups are integrated into the planning and decision-making frameworks

that have been developed to deliver personalisation across Adult Social Care. Paul Ritchie, Network Development Officer at **Voluntary Action Rotherham (VAR)**, is on the procurement panel. VAR has also developed a consortium of adult services providers, which gives voluntary organisations and community groups a voice so that they can challenge policy and strategy decisions collectively.

Voluntary Action LeicesterShire was involved as part of the procurement panel for advice services in Oadby and Wigston, sitting alongside the borough council and procurement advisors. They played an important role as other panel members did not have much knowledge about or understanding of advice services, and therefore found it hard to assess bids on the basis of quality without having an advice service background.

In Stockton-on-Tees, **Catalyst** has been invited to sit on tender panels, and this enables them to give specific feedback to voluntary organisations and community groups that have tendered. Allison Agius, Executive Director, explained: “In one case there was a bid where a small local organisation had linked with a large national, but they’d left the national to do most of the work on the tender. As a result, it didn’t feel like a robust partnership, and the tender wasn’t successful. Following this, we were able to draw up guidelines for our local voluntary organisations and community groups about their responsibility in this sort of situation.”

In some areas, the local support and development organisation has worked with commissioners to develop better processes for procurement generally, with a focus on the inclusion of voluntary organisations and community groups.

Voluntary Action Rotherham (VAR) was asked to comment on the Pre Qualification Questionnaire for domiciliary care tendering arrangements, and to contribute knowledge of the market for patient transport. VAR facilitated discussions with voluntary organisations and community groups, as a result of which NHS Rotherham changed its standard PQQ to make it more meaningful and relevant to local need. Cath Stamp, Deputy Head of Procurement, commented: “The changes we made to the framework for domiciliary care services helped voluntary sector providers to respond to the tender opportunity – one is now part of the framework. We’ve ended up with a broader cross-section of providers: it’s not just commercial contractors, so there’s more choice for service users.”

Developing partnerships and consortia of voluntary organisations and community groups

The scale and scope of public sector contracts can put them beyond the reach of local voluntary and community providers. It is not that voluntary organisations and community groups are unable to deliver quality services that meet local needs, but that the contractual requirements can be too complex, or too burdensome, for small user-focused organisations.

Consortium bidding, where a number of potential providers collaborate to provide the services, is one solution to this issue. However, consortium formation itself benefits from support. This is another role for local support and development organisations.

In Bolsover, Derbyshire, the LSP through the local authority was tendering for a new financial inclusion service. A number of well-established local advice service providers had been involved in the research that informed the tender, and were concerned that the work might go to organisations from outside the area who would not understand local needs or have well-established community links.

Community and Voluntary Partners (CVP) initiated discussions about a partnership bid between the local providers who each felt that they could not lead on delivering a contract to provide holistic financial inclusion work across the whole district.

CVP drew up a joint working agreement, and negotiated financial and employment arrangements with the other partners. The partnership was awarded the contract, which began in April 2010. The other agencies asked CVP to take on the lead role in managing the project and they hold the contract with the district council. CVP also employ the staff although they are all based with the local providers. Diane Herrington, Coordinator at Worksop and District Credit Union, feels her organisation has benefited from being part of the partnership. "It's great because we've got the funding and the advantage is that I can concentrate on delivering the service

and I don't have to spend time managing the contract. I'm happy to leave that to CVP."

Other local support and development organisations have also supported voluntary organisations and community groups through the development of consortia. For some, this has also involved producing resources for providers, so that the lessons from this work can more easily be rolled out to a wider range of organisations.

Catalyst has supported the development of a children and young people's consortium in Stockton-on-Tees, with organisational health checks for members feeding into the Third Sector Assurance Mark.

Voluntary Action Sheffield has supported the formation of five major consortia in the city, and has developed a toolkit for developing a consortium: this consists of a manual and CD, plus a one-day workshop.

GMCVO has developed the Greater Manchester health and wellbeing consortium, which involves 80 of the larger voluntary organisations and community groups in the city who are interested in bidding to run public services. Neil Walbran, Health Partnership Officer, explained: "We started off using the Sheffield consortium model but it didn't work well as we're much bigger and have ten PCTs, not one." GMCVO is clear that the consortium needs to show how it can tackle health inequalities, and has specified that organisations who want to join have to outline how they will involve smaller community

organisations: the focus is on keeping little groups going. The process of setting up the consortium was very positive in its own right. “We had to convince people to bury their hatchets, work together and get on side. It took a great deal of persuasion!”

Voluntary Action Wakefield and District (VAWD) has also supported the setting up of a wellbeing consortium, following interest from voluntary organisations and community groups and from Wakefield PCT. The consortium is now constituted, has good links with commissioners, and has applied to the Social Enterprise Investment Fund for some funding, but the change of government has affected momentum. Peter Foyle, Healthier Communities Coordinator, commented: “The wellbeing consortium is now in limbo. SEIF is under review, and no-one knows if funding will be available or not. And PCT planning is largely on hold.”

The examples above are sector-specific consortia. They bring together providers with a shared focus in order that they can bid for specific contracts such as for health or children and young people’s services.

The CVS for Mid and North Bedfordshire has gone a step further than this, and has developed a generic consortium to help smaller to medium-sized not for profit organisations to access larger and more complex public service contracts. This is called ConsortiCo, and is run as an independent company: its aim is “to harness the strength and flexibility of the voluntary

sector to deliver public sector contracts.”

Source: www.consortico.com. In September 2010, ConsortiCo had ten members, with an aggregated turnover of £10m. Organisations in the ConsortiCo area of Bedfordshire are invited, through the website and CVS publicity, to join the company.

The development costs for ConsortiCo came from the Bedford Charity. It is a hub and spoke model of a formal consortium, with ConsortiCo as the hub providing the central infrastructure or staff resource. It has a small staff team who are responsible for tender writing, negotiation, contract management, resource allocation, quality improvement, and organisational capacity building, within the specific context of contract delivery. It also seeks new funding and tendering opportunities on behalf of its members. Membership is via application, and the process is based on PQQ compliance: organisations have to complete an application form that shows they have the systems in place required for tendering, including an external quality assurance system. However, ConsortiCo’s development funding supports the cost of capacity building to help bring potential members up to PQQ operational standards. Support is provided by the CVS Development Team.

It is essential that organisations allow time for consortium formation: it does not happen overnight, or by going to a few meetings together. Time is needed to build trust amongst partners, and time is needed to develop the legal side. Ian Curtis, Collaborative Working Officer and

Procurement Lead at Mid and North Beds CVS, advises voluntary organisations and community groups to “get consorting now – don’t wait till the tender lands on the doormat!”

Supporting voluntary organisations and community groups to tender

Local support and development organisations have always offered information and expertise to support voluntary organisations and community groups to be more effective. This involves identifying new trends and supporting their members to understand their implications and respond to them – a vital role in relation to procurement. In a complex world governed by seemingly obscure regulations and frameworks, local support and development organisations need to support the sector by building the knowledge base, and through a wide-ranging offer of practical support.

Interviewees commented that some of this support has been “a bit of a wake-up call for voluntary organisations and community groups”. It has helped organisations to understand what they don’t know, and to gain the different skill sets they need to compete for tenders. This starts to level the playing field with other sectors, even when this means buying in skills if they themselves do not have them.

Developing the skills and knowledge of local support and development organisations

It is important to acknowledge that commissioning is new to the whole sector, and there is a need to build internal knowledge and expertise in local support and

development organisations before taking this out to their members. Some of this work has been supported through ChangeUp, and with BASIS funding.

Derbyshire Contracts Advice Network (DCAN)

is now around halfway through its five-year funding from BASIS, and has built its knowledge base to a stage where it has a reputation for being very knowledgeable about commissioning and the finer points of procurement. Carol Lawton, Project Manager: “There’s no substitute for finding things out for yourself and passing on the knowledge internally. Staff need to grow their skills, debate and understand social change, see the bigger picture, and understand the other side’s point of view.” DCAN is now able to use internal expertise for the majority of its needs, with only occasional recourse to using its budget for buying in external support.

In 2008, **Greater Merseyside Change Up Consortium** gathered data on the capacity of local support and development organisations to support tendering and procurement, and found that some in-depth specialist help existed, but there was very little support for generic frontline organisations. The consortium accessed funding from Capacitybuilders to set up a centralised unit, the Greater Merseyside Tendering and Procurement Support Service (Greater Merseyside TaPS). This aimed to bring relevant staff in local support and development organisations up to a level of expertise to be able to support their members through the intricacies of tendering and procurement, and

to support relevant staff in local organisations.

TaPS developed the PASSMARK initiative, which focused primarily on local support and development organisations, and comprises three elements: tendering-related workshops; an accredited qualification, the Chartered Institute of Purchasing and Supply level 2 (CIPS2), in collaboration with the Chamber of Commerce; and a strategy-based master class aimed at chief executives, in collaboration with the University of Central Lancashire.

Peter Cumings, TaPS Manager, commented: “There’s a real need to develop in-house expertise, both generic and thematic. The CIPS2 was to give participants an insight into the commissioners’ perspective, and has been very successful.” Kate Milner, Funding Advisor at Liverpool CVS, did the CIPS2 course and now has her certificate. “The content was geared towards the buyer (commissioner) as opposed to the seller (voluntary and community sector organisation), and the language was private sector orientated – for example words such as ‘nuisance supplier’ – but it was worth doing. I got a good snapshot of what it’s like from the buyer’s point of view, and an insight into how big the leap from grant funding is for voluntary organisations and community groups.”

TaPS is now moving on to its second phase, which includes the development of expert level accreditation, in collaboration with higher education, within local support and development organisations: each is being asked to become a thematic specialist.

Kate Milner feels that Liverpool CVS and other local support and development organisations are becoming much more skilled as a result of PASSMARK. “Although it was a steep learning curve, our staff have improved their skills and knowledge in procurement and tendering. We feel better equipped now to help organisations adapt and respond to the cultural change of the commissioning environment.”

Success factor: Offering development workers high quality training from expert commercially-focussed trainers: a world away from typical training for voluntary organisations and community groups, with its more gentle approach.

Staffordshire Consortium of Infrastructure Organisations (SCIO) arranged training for development workers to help them understand the commissioning process. Alan Lawrie from the Directory of Social Change put together a bespoke programme about social enterprise, enabling development workers to support groups who are interested in this delivery model.

Sutton CVS admits that it could have been more thorough about training for its staff, and started earlier, since it has been involved in developing a commissioning strategy for voluntary organisations and community groups. Susanna Bennett, Deputy Director, explained: “Initially we were a bit ad hoc about this so we didn’t know enough and weren’t confident to challenge things that we should

have done. We've now addressed this and have started to question and support more effectively – one of our staff has done the Oxford Brookes Certificate in Commissioning Practice, for instance. The lesson we've learnt is that we need to be more ahead of the game with new initiatives – and we're trying to do this with the personalisation agenda."

Tony Halifax at **South Lincolnshire CVS** feels that CVS Development Workers need to have a greater understanding of business development if they are to be able to support organisations in commissioning and procurement: "Staff ability and knowledge hasn't shifted far enough into this territory."

Training for voluntary organisations and community groups on tendering and procurement

Many local support and development organisations who run training programmes are now including short introductory level courses on the whole commissioning agenda. A wide range of training approaches are being rolled out, including:

- **ViSTA's** training programme in Somerset, funded by Capacitybuilders, includes a general course 'Getting to Grips with Commissioning', as well as a more technical course that focuses specifically on procurement and tender writing
- In London, **Greenwich Action for Voluntary Service** is providing workshops and support for tender writing
- **Catalyst** has arranged training on procurement and business management

for organisations in Stockton-on-Tees

- In Nottingham, **AdviceUK** has delivered training on contracting and public law to support local advice agencies' involvement in commissioning
- **Voluntary Action Rotherham** has been collaborating with NHS Rotherham and the local Chamber of Commerce to run training and information sessions on tendering, PQQs, marketing, costing and pricing. Cath Stamp, Deputy Head of Procurement at NHS Rotherham, commented: "I think it's taken some of the fear away for voluntary organisations and community groups – that public sector contracts can be quite onerous. They now understand why we have to ask some of these questions."
- **Newcastle-under-Lyme CVS** has been providing training and support to help local groups become familiar with the new commissioning framework and its requirements: this work has been funded by the borough council. (See also whole strategy and process section, page 40)
- To support the development of a commissioning strategy for voluntary organisations and community groups in Sutton, **Sutton CVS** ran events and training sessions on business planning, full cost recovery, how to win contracts in Sutton (with input from the council's procurement team), marketing, and costing and pricing.
- **Halton VA** has offered training on procurement and effective tendering to voluntary organisations and community

groups and employees of Halton Borough Council and Halton and St Helens PCT: this joint provision has helped to build relationships between the sectors.

- In Lincolnshire, the **Lincs2gether Project** has run a number of events and a conference on commissioning generally, including an event specifically designed for trustees. Tony Halifax, Commissioning and Procurement Officer, commented: “This was very well-attended, although some people failed to understand the need for running it. I think it’s vital that trustees are included: there are important governance implications within the commissioning framework.”
- **Warwickshire Community and Voluntary Action (CAVA)** offers the administration and promotion of a series of workshops for voluntary organisations and community groups, run by the county council. The training is in two parts: the first is information-based, covering the council’s procurement rules and processes, PQQs, evaluation criteria and scoring mechanisms, Invitations to Tender (ITTs), EU rules, and where the council’s contracts are advertised. The second part of the session is a hands-on PQQ workshop: participants fill in a PQQ, which is then assessed by others in the workshop. The training aims to demystify the process and make it less scary. By bringing groups of voluntary organisations and community groups together, it also aims to enable them to gear up for commissioning and tendering through consortia. The trainer is a county council Lead Procurement Officer.

Specific tendering support

Training, by its nature, is fairly general: an open course has to meet the needs of all its participants, and this can cover a wide range of knowledge. Some local support and development organisations offer one-to-one tendering support, and/or expertise in some of the specific, and often more complex, processes associated with winning contracts through procurement.

Staff working with **Derbyshire Contracts Advice Network (DCAN)** have built up considerable expertise over a number of years. Carol Lawton, DCAN Project Manager described the team at Links (Chesterfield and North Derbyshire CVS) as “stable and long-serving... with a range of people in it: they’ve worked on a range of projects, been on appropriate training, and can apply their knowledge to the commissioning field. We’ve been doing business plans, costings, employment law, etc for years – we’ve just moved it into the commissioning arena.” DCAN also has a budget to buy in freelance or external expertise where necessary. This gives staff access to specialist advisers in technical and legal matters, such as VAT or TUPE.

With this background, DCAN offers one-to-one tendering support. Its email address is also given in tender documentation, and voluntary organisations and community groups are encouraged to contact DCAN for support. For commissioners, this results in a reduction in their workload: this support was previously a time-consuming part of

commissioners' workload. It has also resulted in commissioners receiving better targeted and better quality tenders.

Voluntary organisations and community groups have also experienced gains from DCAN's work. More contracts (including some very small ones) have gone to them; and in some cases, organisations shared information that led them to make careful decisions not to tender.

Nottingham CVS accessed business mentoring for some of its members, via Business Champions funded by the East Midlands Development Agency. This helped organisations to develop plans and strategies, and increase their profile and the success of the voluntary and community sector in the commissioning arena. One provider commented: "The Business Champions programme helped us to systematically look at our activities." Richard Hazledine, Commissioning Officer at Nottingham CVS, said: "To help build a sound relationship with the PCT, you need to make a robust business case, market your organisation, show good governance, and have a good evidence base for the difference you're making."

Voluntary Action Sheffield provides one-to-one mentoring from public sector procurement officers to support voluntary organisations and community groups in writing their tenders.

The failure point in tendering for many voluntary organisations and community groups is in putting it all together: assembly

of tender documentation can be ad hoc; dependent on a number of busy people; prone to IT compatibility problems; and often scrambled at the last minute. Bigger private sector businesses, in contrast, have largely systematised it. **Greater Merseyside TaPS**, working with Merseyside Third Sector Technology Centre (3tc) has set up a tender resource suite, with funding from Capacitybuilders, to accelerate and streamline the tender assembly process. This is an IT-based facility with a networked laptop with broadband internet access connected to an interactive SMART Board. TaPS and 3tc can provide an experienced tender facilitator to give advice and guidance on assessing tender questions, coordinating team responses, and directing Google searches. A number of local voluntary organisations and community groups have undertaken PASSMARK training and accessed support from the tender assembly suite. Between October 2009 and February 2010, TaPs provided JusKidz, a small local charity in Kirkby, with intensive support to tackle the 100 pages of an Invitation to Tender and a Supplier Questionnaire. This resulted in a contract worth £45,000.

Commissioning and procurement toolkits and guides

Training is essential, and mentoring invaluable. But some voluntary organisations and community groups either cannot or will not make the time, or pay the fees, for a training course, and some will not see the need for tailored advice and mentoring. Several local support and development organisations have produced guides that act as an introduction

to commissioning, or produced web-based resources or tool kits. These make information accessible to the widest number of local organisations, regardless of their size or their current interest in commissioning.

Some of these are listed below. Please note that there are many other commissioning guides available: we have listed these because they have had involvement from the local support and development organisation.

- **Halton VA** has produced a Guide to Commissioning, which can be used by voluntary organisations and community groups and commissioners, with a strong local focus. It is produced as an A5 workbook with step-by-step information.
- **Gloucestershire VCS Assembly** was commissioned by NHS Gloucestershire to manage a county-wide Better VCS Commissioning Project. This produced The Good Commissioning Guide for Gloucestershire; and a new draft Compact Commissioning Code for Gloucestershire. Jess Mace, VCS Assembly Team Manager at GAVCA, said: “The guide has been very well received. The fact that we led on developing it together with a new draft Commissioning Code has strengthened our relationship with public sector agencies, and put us in a better position to support the involvement of voluntary organisations and community groups in commissioning. We’re seen as being ahead of the game, particularly now that the Big Society is such a hot topic!”
- The **Lincs2gether Project** has produced a website and an online self-assessment toolkit. It is in four stages: two cover organisational readiness for tendering, and two cover tender preparation and presentation.
- The **Somerset Community Infrastructure Providers Partnership (SCIPP)** and **ViSTA** have produced a Guide to Commissioning in Somerset and accompanying Top Tips.
- **Birmingham ChangeUp Consortium** has produced The Enterprising Commissioning Toolkit, a 74-page self-help guide in two parts: part one is informative and about the commissioning process itself, while part two is more practical and designed to help organisations prepare to tender. The Guide can be used as a training resource by local support and development organisations, and as a reference document for commissioners to give to voluntary organisations and community groups for support.
- **Voluntary Norfolk** produced a Third Sector Guide for Public Sector Commissioning in 2008. This is based on a set of principles and standards for commissioning with voluntary organisations and community groups, which provide a framework for practical checklists that commissioners and providers should follow to ensure best practice. Voluntary Norfolk wrote and produced the Guide with the help of a cross-sector working group. The Care Services Improvement Partnership, (CSIP, now Care Quality Commission),

endorsed the Guide and contributed towards funding the publication. The Guide was also used nationally by IDEA (now Local Government Improvement and Development), who bought 500 copies for use at the National Programme for Third Sector Commissioning training sessions. More recently, Voluntary Norfolk, with the National Council for Voluntary Organisations (NCVO), has developed a complementary 'Third Sector Commissioning Guide: A checklist to intelligent commissioning and intelligent bidding'. This provides additional guidance on how voluntary organisations and community groups can be involved in the commissioning process.

Learning points for local support and development organisations

1. Local support and development organisations need to emphasise to voluntary organisations and community groups the importance of keeping up-to-date, and really sell the benefits of understanding procurement processes.
2. Voluntary organisations and community groups can bring valuable specialist expertise and input to procurement decisions. Local support and development organisations can act as a broker to negotiate this and to address any potential conflicts of interest.
3. Voluntary organisations and community groups need proactive support months before tender processes start, so they are ready. The challenge is how to get them engaged at such an early stage when they do not see it as relevant.
4. Local support and development organisations need to lead an attitudinal shift in voluntary organisations and community groups. Organisations do not have a right to be funded.
5. It's useful to look at models from elsewhere, but don't follow them slavishly if they don't fit your local circumstances. There is no substitute for working things out in partnership locally.
6. It's important to work with other agencies, including organisations from the private sector that have more expertise in tendering, to lift the quality of training on offer.

STAGE 4: MONITORING AND REVIEW

Monitoring and review are separate but linked processes. Monitoring focuses on the impact of the service that has been commissioned, and a key principle is that it should be proportionate to the size and scale of the contract. Review considers whether the services commissioned have met the aims of the commissioning strategy. Some of the questions that need to be considered through the review stage are:

- Who is using what services
- How this compares with the issues identified through the needs analysis
- What has changed as a result of the investment made through the commissioning strategy, and why: it is important to consider what is both better and worse
- What are the unmet needs, and how they will be addressed in the future

The research for this publication found that there are fewer examples of good practice at this stage of the commissioning cycle than all others.

Good practice in monitoring and review involves:

- Using outcomes-based commissioning processes
- Negotiating proportionate monitoring
- Developing good practice in decommissioning

How are local support and development organisations supporting good practice?

Using outcomes-based commissioning

Effective monitoring begins earlier in the cycle with a good process for defining clear service outcomes. Commissioning for outcomes involves shifting the focus from activities to results, and measuring the impact that commissioned services achieve. It supports innovation by not specifying in detail how the outcomes should be achieved, leaving providers free to come up with new and different service models.

The Children and Young People's Trust in Bristol has embedded an outcomes framework in its commissioning approach. This is based on the monitoring and evaluation framework developed by the council's Joint Commissioning Unit. This:

- defines the principles and purpose of monitoring and evaluation within the commissioning cycle
- links to key agencies' existing performance management processes: it does not require new systems where existing data demonstrates the outcomes from the work

In Bristol, **Voscur** has played a key role in supporting the adoption of the framework. There have been two elements to this. Firstly, Voscur developed a training programme to build the skills and capacity of voluntary organisations and community groups around monitoring. It ran a series of seminars which

attracted over 100 organisations and gave information about the commissioning process, the shift to outcomes-based commissioning, and tools for developing tenders and planning services. Through this work, Voscur enabled a dialogue with commissioners in Children and Young People's Services to take place, and this has led to closer cooperation between voluntary and community providers and statutory sector commissioners.

Good monitoring enables providers to develop a sound evidence base. Providers, working with Bristol's Children and Young People's Trust, have identified the benefits of this approach as:

- being able to evidence the impact of their work: this is invaluable when they apply for funding from other sources
- the impact on staff motivation: the evidence base demonstrates the impact of the work, and the difference it makes for children and young people

The monitoring and evaluation framework can be downloaded from: **www.bristol.gov.uk/ccm/cms-service/stream/asset/?asset_id=34167099**

Information about outcomes-based commissioning can be complex and confusing. The **Gloucestershire VCS Assembly Team** supported the production of The Good Commissioning Guide. This gives an overview of the main concepts in outcomes-based commissioning, and examples of the process of developing outcomes measures.

Negotiating proportionate monitoring

Monitoring should be proportionate to the size and scale of the contract. The amount of monitoring that is reasonable for a small commissioned service will be different from that required by a large one. Commissioners and providers should negotiate and agree the scope of the monitoring data and how this will be gathered. Local support and development organisations can support this, and provide examples of good practice.

Newcastle-under-Lyme Community and Voluntary Support (NCVS) worked with the borough council to introduce a commissioning framework for local voluntary organisations and community groups. This was very much a partnership approach, but was local authority-led in that it looked at their internal processes: they used the Tower Hamlets model as a template. Janette Bourne, Chief Officer, explained: "We were involved from the start and valued as an equal partner: we could ensure that what was put in place was correct, which creates less work for us in the long run." One result of this close working is that the borough council is now doing proportionate monitoring. "We get a grant of £12,000 and I just have to fill in one side of A4 every three months. They send out reminders and do it all in a timely way. Previously they didn't allocate any resources to monitoring." (See also whole strategy and process section, page 40)

Using this approach, commissioners report that they receive the right information, and can now monitor outcomes properly. Proportionate systems help to overcome the problems

faced by commissioners when providers use their own systems which are often based on different systems and measurements.

In Bristol, **Voscur** and the Children and Young People's Trust, through the Joint Commissioning Team, have worked with a range of providers to develop shared tools for monitoring their services. Bristol Children's Trust's approach to proportionate monitoring is based on the size of the contract, its financial value, and the level of risk with each contract.

Tamworth CVS worked with Tamworth Borough Council to develop the involvement of voluntary organisations and community groups in commissioning, including monitoring requirements. Karen Clancy, Partnership Funding Officer at Tamworth Borough Council: "We listened to concerns about reporting and have acted on feedback to ensure that monitoring is proportionate." They have also developed joint systems with other commissioners. Dawn Candy, Coordinator at Homestart, commented: "Health and the borough council have agreed on the same monitoring template which is fantastic from our point of view. It's proportionate and far better than a lot of others I've done."

Knowing how difficult it can be to identify and write outcomes, **Halton VA and St Helens CVS** have developed a simple tool for monitoring and review. The Evolve card is based on outcomes at user level that relate directly to national NHS indicators. Organisations can use it on a 'before and after' basis with their service users, and

results will demonstrate not only how individual organisations contribute to the PCT's outcomes, but also the contribution of the voluntary and community sector as a whole. The Evolve card is being piloted from October 2010.

Developing good practice in decommissioning

Monitoring information enables the review stage of the cycle, and feeds into the next needs analysis within the whole process of commissioning. Inevitably, and increasingly, monitoring and review processes will have to consider decommissioning. This research found few examples that are addressing this directly.

On Teesside, **Catalyst** is currently negotiating with Stockton Borough Council and North Tees PCT, who do some joint commissioning, for a fair policy on decommissioning. This will ensure that contracts have an agreed exit strategy, with a standard notice period and a commitment to an appropriate period of wind-down.

In Bristol, **Voscur** is working with the city council's Enabling Commissioning Board to develop decommissioning processes that will mirror the commissioning cycle. Decommissioning will consider each organisation's evidence base about the impact of services. Contract managers will have to make a business case for decommissioning, and Voscur will support providers to remodel their services if this is appropriate. Mark Hubbard, Compact Liaison Officer, commented: "We're not going to win friends

with the decommissioning strategy. But we can work with commissioners to encourage a fair process, and to support good service delivery.”

Learning points for local support and development organisations

1. Commissioning for outcomes is not widely understood or applied, either by commissioners or voluntary organisations and community groups. There is an opportunity for local support and development organisations to lead the way in raising awareness about implementing it locally.
2. Disproportionate monitoring of contracts is time-consuming and frustrating for both voluntary organisations and community groups and commissioners. Local support and development organisations can help to agree protocols that make monitoring useful and productive.
3. Decommissioning is likely to become a key issue for local support and development organisations to work with commissioners on. If it has to happen, it is best that voluntary organisations and community groups agree the principles and processes that should inform what is likely to be a painful process.

Monitoring information enables the review stage of the cycle, and feeds into the next needs analysis within the whole process of commissioning.

WHOLE COMMISSIONING PROCESS/STRATEGY

The commissioning cycle is helpful in understanding the different elements of what good commissioning looks like, but in the real world commissioning rarely happens in a neat orderly cycle. Some local support and development organisations have worked across the whole commissioning process and overall commissioning strategies.

Good practice in whole process commissioning involves:

- Building relationships to encourage trust
- Developing commissioning strategies for voluntary organisations and community groups

How are local support and development organisations supporting good practice?

Building relationships to encourage trust

A theme that is present throughout 'A bridge between two worlds' is the importance of good relationships and building trust between the sectors. Local support and development organisations have a critical role to play in this, because their work brings them into more regular contact with commissioners and others working in statutory agencies, and at a strategic level. Good relationships stem from frequent and ongoing dialogue and a willingness to find effective ways to work in partnership.

Voluntary Action Rotherham (VAR) had a specialist procurement and commissioning

team which built relationships and understanding with commissioners in NHS Rotherham and Rotherham Borough Council over several years. Funding constraints reduced this to one post, a Commissioning and Engagement Coordinator (Health Services), funded by NHS Rotherham to support its work with voluntary organisations and community groups. The post holder used her networks to gather information that enabled her to represent small providers, and to contribute to planning the service specifications and tendering arrangements for the Short Breaks element of Aiming High for Disabled Children.

Through this role, VAR "developed further our relationship with NHS Rotherham commissioning leads – this has brought recognition, profile, credibility and influence. We've become a critical friend," said Paul Ritchie, Network Development Officer. NHS Rotherham has shown an increased ability to respond to issues raised by voluntary organisations and community groups and to make changes. Specifically, "the relationship between commissioners and VAR and access to the opinions of voluntary organisations and community groups has encouraged change in some practices, for example the PQQ."

Unfortunately, funding for the Commissioning and Engagement Coordinator post has now run out. Cath Stamp, Deputy Head of Procurement NHS Rotherham, commented: "The relationship with VAR works well, but it's going to be difficult to keep the momentum going now the post has disappeared."

Derbyshire Contracts Advice Network

(DCAN) is a partnership of voluntary organisations and community groups, led by Links CVS (Chesterfield & NE Derbyshire). It secured five years' funding from the Big Lottery's BASIS programme to provide a range of commissioning support services. Because it came out of the local sector, DCAN members had existing good relationships with county council staff, and have been able to build on these. As a result, they have influenced commissioners to make changes, for example by commenting on draft documentation which has led to improved processes.

DCAN has also built up its specialist knowledge and developed a reputation for being very knowledgeable about both commissioning and local voluntary organisations and community groups. Members are now seen as authoritative and well-positioned to discuss complex issues with Derbyshire County Council's specialist staff. The outcomes for commissioners have included cost savings and a reduction in workload because "we tell commissioners 'doing it that way will be a lot of work – why don't you make it easier on yourselves and do it this way?'" said Carol Lawton, Project Manager at DCAN. Fiona Worrall, Service Manager (Community Contracts) in the Department for Adult Care at Derbyshire County Council, commented: "Working with DCAN is great because they know so much. They give good feedback on things, and have supported me in what I'm trying to do."

Success factor: Being an honest broker

works. Local support and development organisations often do not compete for frontline services, and can be an honest broker as they have no conflict of interest. Carol Lawton explained: "We're not a provider running services, like some other local support and development organisations. We make this very clear. When DCAN gets heavy – and sometimes we do – they listen. We're seen as trying to be on their side. Commissioners see us as an ally in the difficult world of working with voluntary organisations and community groups."

The Involving Lincs consortium in

Lincolnshire accessed ESF funding through Lincolnshire County Council. This is for a two-year project to support voluntary organisations and community groups in commissioning and procurement: the Lincs2gether Project. Tony Halifax, who has responsibility for commissioning on this project, is based at South Lincs CVS. He began work by auditing the contractual situation for the county and voluntary organisations and community groups, and helped the council to understand the sector's views on commissioning better. This has led to the establishment of a Joint Strategic Commissioning Group, which meets monthly and has involvement from the sector. The council's Adult Services have now asked for Tony to become more involved in their commissioning of services and in establishing a consortium.

All these examples show that “personalities and relationships between individuals are key: it’s important to have mature conversations, be flexible and very clear,” says Paul Ritchie, Network Development Officer at Voluntary Action Rotherham.

Developing strategies for commissioning with voluntary organisations and community groups

A number of local support and development organisations have worked in partnership with statutory agencies to develop commissioning strategies for voluntary organisations and community groups.

In Newcastle-under-Lyme, the borough council had a small grants pot of just under £600,000 and thought they could get more bang for their buck. They wanted to ensure funding was spent on priorities in the Sustainable Communities Strategy and were also aware that they were not monitoring what they spent well. The perspective of voluntary organisations and community groups was that the usual suspects got funded year on year so it was not an open and transparent process. When a new CEO with experience of working with voluntary organisations and community groups came into post at the borough council, it was an opportunity for **Newcastle-under-Lyme CVS** and the wider voluntary and community sector to work together to introduce a commissioning framework for the sector. The framework brought funding into one pot but kept very small community grants. Janette Bourne, Chief Officer at NCVS, commented: “This was not negotiable for us.”

An outcome of the commissioning strategy for voluntary organisations and community groups is that the size of the pot allocated for the sector has increased to £800,000. It has recently been decided that money for community cohesion will also go through the same framework and commissioning process, so it has opened up new funding and opportunities for the sector locally.

Success factor: A key partner that values and understands voluntary organisations and community groups is helpful and provides the commitment needed to jointly develop commissioning strategies and frameworks.

Following the refresh of the local Compact in 2007, Sutton Borough Council in South London agreed to review the funding arrangements for voluntary organisations and community groups. At that stage there was a lack of clarity about which organisations and groups they were funding, to what level or how, and there was no consistency in the arrangements with them: some were commissioned, some had service level agreements, and some got bits of funding with no paperwork. **Sutton CVS** worked with the Compact Group to get agreement that some sort of framework was needed for commissioning with voluntary organisations and community groups, and a third sector commissioning subgroup was set up as a task and finish group to do this, which did good and extensive consultation on various

stages. Susanna Bennett, Deputy Director at Sutton CVS, was the representative for the sector on the sub-group. At about the same time, commissioning subgroups were set up in some parts of the council. The CVS pushed for representation from voluntary organisations and community groups on them: originally the sector was excluded from some, but now representation is fairly extensive. These sub-groups developed commissioning strategies and, in some cases, service specifications.

The chief executive and deputy posts undertook work around commissioning and representation as part of their core work: an additional post for children and young people's services was kick-started with funding from the Children's Workforce Development Council, and Sutton Borough Council then picked this up. Eighteen months ago, an additional post on developing the capacity of voluntary organisations and community groups around personalisation was funded by the council.

The strategy was a sound one. It has three strands: strategic partnership grants, open procurement, and other grants. However, implementing it has proved difficult, and two years on only the first strand is in place, with a small grants programme just beginning. Susanna Bennett, Deputy Director, commented: "The framework was driven by the Chief Exec's Department, but most commissioning takes place in adult social services and children and young people's services, so embedding it across the council

has been difficult and patchy. There has been a lack of capacity for commissioning; some individuals have not supported the framework; and it has relied on certain local authority staff to make it happen, so when they haven't been around things have not progressed. From our side, voluntary organisations and community groups have not always presented a united front as, for understandable reasons, some are happy with the status quo. Things are now moving forward again, with a council commitment to phase out service level agreements, and to work with the new guidance from the National Audit Office on when to use commissioning and when to use grants. This has been a stumbling block, and now something needs to be written into the framework. It was a good strategy for 2008, but a lot of things have moved on since then: personalisation has complicated things and so has the economic situation."

Voluntary organisations and community groups now have a framework which enables them to challenge the council if they try and do things that are outside it; and an intermediary to sort things out with the council if things are not right.

Success factor: Sutton CVS prioritised the work, and put in resources and time.

Voluntary Action Sheffield (VAS) appointed a Procurement Support Project Officer in 2005: Sheffield City Council had produced a procurement strategy that mentioned the

commitment to a diverse and mixed supplier base. VAS initially concentrated on raising awareness among voluntary organisations and community groups of the realities of contracts, and building the understanding of commissioners. Since then VAS and the city council have worked together more closely. A commissioning framework has been developed, clearer documentation details the council's procurement practices, and tender documents have been revised. VAS now has a member of staff seconded to Sheffield City Council as Commissioning and Procurement Officer, funded through LEGI (Local Economic Growth Initiative) and match from the council. The focus of the post is on continuing to build the relationship between the city council and voluntary organisations and community groups. The outcomes for voluntary organisations and community groups have been greater professionalism leading to more sustainability, with more organisations prepared to consider partnership working and consortia.

Birmingham VSC (BVSC)'s work in developing a commissioning strategy for voluntary organisations and community groups began several years ago. Following a change of administration at Birmingham City Council, a Corporate Third Sector Project was set up to develop and build effective working relationships between the voluntary and community sector and the council, and to manage the move from grants to commissioning. A strategic-level project group was brought together with senior representatives from voluntary organisations

and community groups and from each directorate in the council, and funding for the sector was mapped and reviewed. The council approached BVSC for support in engaging with the wider voluntary sector. Consequently, BVSC convened a reference group, which provided the project with ideas and support, and seconded a member of staff on a consultancy basis to the council's Adult and Communities Directorate for two days per week over a ten-week period, to work on developing a new commissioning framework. She pulled together a reference group to act as a sounding board, and one of BVSC's membership networks, the Voluntary Sector Chief Executives Forum, acted as a consultation mechanism for comment and feedback on all new documents. Brian Carr, Chief Executive of BVSC, said: "The member of staff we seconded had a lot of experience in commissioning and contract management – she was ex-public sector and spoke their language, which built trust."

BVSC brokered the relationship between the council and voluntary organisations and community groups as the commissioning process went on, and acted as a broker and mediator when there were problems. Brian Carr, Chief Executive at BVSC, commented: "We didn't allow long enough for parts of the process. We should have been firmer with the council by emphasising the importance of meeting the deadline dates for documents to be ready, and warned more clearly on what could go wrong if time wasn't adequate for final tweaks to be made."

However, BVSC has strengthened its relationship with the council. It has had involvement on the recruitment panel to appoint the new Head of the Corporate Third Sector Team, and the Chief Executive and two Network Champions attend the internal commissioners group. Voluntary organisations and community groups have also benefited from improved relationships with the council, including more open communication channels and more trust. A Compact advisor is working with commissioners to ensure that processes are Compact-compliant.

Success factor: Involvement of elected members. Birmingham City Council appointed a Cabinet Member to be Third Sector Champion: this gave the work political kudos and showed that it was being taken seriously.

Staffordshire Consortium of Infrastructure Organisations (SCIO) pushed for National Indicator 7 'Environment for a Thriving Third Sector' to be included in the county local area agreement. This was adopted, with a focus on two themes: the Compact, and commissioning. Staffordshire Third Sector Network (a SCIO project) began by researching commissioning issues, using the Norfolk template, and undertook two-hour interviews with eight commissioners and eight voluntary organisations and community groups. These interviews gave everyone a fundamental understanding of commissioning issues and challenges. A four-person working group comprising two S3SN workers and two county council officers

was formed to advance this work, and they reported to a higher-level strategy group of commissioners and voluntary organisations and community groups. Commissioning standards were developed, and consulted on widely. The standards sit within the Compact folder and the link between the Compact and the standards has been helpful. S3SN maintain a Compact issues log and the Compact working group look to resolve issues as they occur. The final draft went to Scrutiny for approval in August 2010. There are still issues about procurement using EU regulations unnecessarily: Staffordshire have been successful in getting facilitated support through the Commissioning Improvement Programme to look at these issues and this work will take place early next year.

The work has given commissioners a clearer perspective on how to work with voluntary organisations and community groups. Nicola Edmonds, Corporate Third Sector Relations Manager at Staffordshire County Council, explained: "An important part of developing effective commissioning has been ensuring organisations across the third sector and the public sector have a complete understanding of the key principles laid out in the new Staffordshire Partnership Compact. In principle this sounds fine, however for the Compact to be successful, the words have to be incorporated into 'real' practice. As a result, we now have a team of 70 Compact Champions who act as the eyes and ears for the Staffordshire Compact and offer advice and assistance on commissioning-related issues."

Jeanette Burrows, Development Manager Staffordshire TSN, commented: "Procurement teams are not deliberately obstructive but they don't necessarily get training on working with voluntary organisations and community groups and are looking for guidance from us."

Success factor: Developing a joint

team. The higher-level NI7 Strategy Group developed buy-in from commissioners, and trust built up with reps from voluntary organisations and community groups: an action-orientated working group was a successful collaboration between the county council and STSN.

Tamworth CVS in Staffordshire has good relationships with Tamworth Borough Council. There is a local authority community development worker in each of four localities; the council's grants officer works one day per week in the CVS; and the CVS Compact and partnerships officer works one day per week in the LSP team at the council. This post is funded by the borough council to develop and promote Compact and partnership working. The new LSP Manager at the council used to be Chief Executive of a CVS, which has also been helpful. Following last year's Compact refresh, a small working group was formed to take the Compact forward. The council was keen to develop a commissioning strategy for voluntary organisations and community groups: they wrote one and Tamworth CVS undertook consultation with the sector. The strategy included establishing a voluntary

and community sector commissioning board with three representatives from voluntary organisations and community groups, elected by the VCS Forum, and five councillors. The board has overseen commissioning of the £164,000 pot for voluntary organisations and community groups from the borough council, with three-year contracts instead of only one-year, and also £200,000 of PCT health inequalities funding.

Commissioners have successfully commissioned services with proper specifications, transparent processes, and aligned to corporate objectives. They know voluntary organisations and community groups will be crucial in helping them make the right decisions with communities in relation to the money that they have got. Tamworth CVS has links and a database of organisations to make that consultation easier. Fleur Fernando, LSP Manager at Tamworth Borough Council, explained: "Having Tamworth CVS as a key partner was essential. It helped us to build up trust: we wouldn't have got buy-in or engagement from the wider sector without that partnership."

Voluntary organisations and community groups now have greater influence in decision-making processes through the representatives on the VCS Commissioning Board. Another key outcome is that contracts are now let for three years instead of one, which is important during this time of cuts. Fleur Fernando explained: "The level of understanding of senior officers and members about voluntary organisations and community groups and the

phenomenal value for money they provide has really improved. Members didn't want to cut the funding and are dedicated to ensuring it's in place for three years." Homestart, a local voluntary organisation, lost out on one contract but were successful in winning two subsequent ones. Dawn Candy, Coordinator at Homestart, explained: "We put in for the first round of tenders and lost. But I knew it was a fair process so I couldn't complain. I got excellent feedback and realised where we'd gone wrong. Voluntary organisations and community groups cannot sit back and say 'woe is me'. If we want to be treated seriously then we have to be professional and try our best. We did this and the next time we were successful."

Success factor: SCIO and infrastructure at a county level helped by giving the county council intelligence and data and by trying to **bridge the gap of a two-tier authority**.

Learning points for local support and development organisations

1. Don't ignore politics: try and get key politicians on board at an early stage and actively involved in commissioning, eg as members of commissioning boards.
2. Supporting commissioning can take a lot of capacity and resources. It helps to recognise this at the start of the process and plan accordingly.
3. The commissioning framework is just the beginning – you also need to be pushy and proactive on its implementation.
4. Work with the statutory sector. Form a joint team to develop strategies together – co-locating posts and secondments can work well.
5. Within a whole process approach it is still important to remember that procurement and commissioning are different. Local support and development organisations need to understand that commissioning may be led by procurement teams, and that the key drivers for procurement teams are saving money and minimising risk.
6. Don't be afraid to challenge commissioners once you have developed good relationships with them. It can increase their respect for your position as a voice for voluntary organisations and community groups.
7. Be clear and tough on deadline dates and push commissioners to allow enough time to get documentation ready.

CONCLUSION

THE CHANGING CONTEXT

Local support and development organisations are actively involved in supporting intelligent commissioning in a wide range of different ways that are relevant to their differing local situations. This local context is itself constantly and rapidly changing.

Since the research that has informed this publication began, the national and local context for commissioning has shifted significantly. The new Coalition Government and related policy changes create opportunities and threats for the voluntary and community sector. The Big Society suggests a more prominent role for the sector in meeting local community needs, while public spending cuts and the Comprehensive Spending Review mean that many local authorities are now talking about decommissioning rather than commissioning. The health reforms outlined in the NHS White Paper, 'Equity and excellence: Liberating the NHS (2010)', raise questions about how GP-led commissioning will work.

The world is changing, and local support and development organisations must change with it. They must also lead the way in encouraging and enabling the local organisations that they serve to respond to commissioning as positively as possible: it is not going to go away. If anything, two of the drivers for commissioning – value for money and innovation – are likely to become even more important in the new economic climate.

VOLUNTARY ORGANISATIONS AND COMMUNITY GROUPS AND COMMISSIONING

Many local support and development organisations interviewed spoke about the need for an attitudinal shift in the sector. Being a worthy cause no longer entitles organisations to public sector funding, and they need to change their mindset to think about how they can help commissioners to achieve the outcomes they are looking for, rather than expecting commissioners to help them get funding for what they do.

Really good, intelligent, commissioning should pick up on new needs, different priorities and redefined outcomes. It should stimulate new approaches to service delivery that are responsive to service users. It should also harness the best of what voluntary organisations and community groups can contribute to service delivery. Commissioning would be pointless if it did not lead to some change, and that is a challenge.

There are two main motivations for voluntary and community organisations to get involved in commissioning:

- Statutory sector funders are changing their funding mechanisms from grants to procurement, so the change is thrust upon voluntary organisations and community groups, often in a top-down way
- Voluntary organisations and community groups are proactively seeking to deliver public services, either by holding a contract in their own right or as part of a partnership, consortium or sub-contracting arrangement

These two motivations can lead to quite different experiences. Local support and development organisations interviewed spoke about the reluctance of voluntary organisations and community groups to engage in commissioning and that is understandable when it is imposed, sometimes in very short timescales, and organisations feel unprepared and out of their depth. Organisations that see it as an opportunity to review what they do in response to identified needs and to make their services relevant and effective, however, are in a strong position to benefit from commissioning.

In order to ensure that intelligent commissioning takes place, it is vital that voluntary organisations and community groups have more of an input in the whole commissioning cycle, particularly the service planning stage. They need to be informing service specifications and participating in commissioning boards – not as a right, but because they have invaluable experience to bring. Too often commissioning processes are driven by procurement requirements, which seek to minimise risk and any threat of legal challenge. This can make them disproportionately bureaucratic and burdensome for everyone, including voluntary organisations and community groups and commissioning organisations. Tendering and procurement is probably the area of need that local support and development organisations get most requests for help with. However, to address it effectively, they need to be advocating for co-design of the whole commissioning process.

THE ROLE OF LOCAL SUPPORT AND DEVELOPMENT ORGANISATIONS

The involvement of local support and development organisations in commissioning builds on their existing roles and remit. It requires a different focus and emphasis and some new skills and knowledge, but is not a whole new area of work.

Representation of and engagement with voluntary organisations and community groups

Support from local support and development organisations has helped to enable voluntary organisations and community groups to influence the type of services provided by contributing to the whole commissioning cycle, both as providers and as advocates for service users and communities. This influence is particularly important at the needs analysis and service planning stages. Partnership working helps to develop effective relationships across sectors, an essential component of intelligent commissioning. This role also involves ‘educating’ commissioners about how best to work with voluntary organisations and community groups and making this easier for them.

Organisational development support

Local support and development organisations are providing support, advice and training to help voluntary organisations and community groups to be ready to participate in commissioning and procurement. This capacity-building work is effective when it is

at an appropriate level and is commercially focussed, enabling voluntary organisations and community groups to compete with private sector providers. It is also effective when it is planned and developed with commissioners, as this often makes it most relevant and opens commissioners' eyes to what the sector can offer.

Information and tools

Local support and development organisations are providing information about how commissioning works, such as guides and reports, and tailored information about specific commissioning opportunities. They are also facilitating voluntary organisations and community groups, including smaller and specialist organisations, to work and bid together using partnership and consortium models.

Local support and development organisations are developing a range of tools to make it easier for commissioners to work with voluntary organisations and community groups, such as marketplace events, supplier directories and local quality marks. Commissioners value the ability of local support and development organisations to communicate with the sector on their behalf and to facilitate the involvement of relevant stakeholders in the commissioning process.

Skills and sustainability

These roles and functions are not totally new work, but they do require development workers in local support and development

organisations to skill themselves up and to have a thorough knowledge and understanding of commissioning. These are actually current and marketable skills for local support and development organisations. Some interviewees felt that they knew more than the commissioners and that this put them in a very strong position as local experts.

However, there is a note of caution about the sustainability of having this expertise purely in one post or role. If this post comes to an end or an individual moves on, the knowledge can be lost. To ensure that it is sustainable, local support and development organisations need to embed and integrate this work within their core functions, rather than viewing it as a project or add-on.

THE INGREDIENTS OF INTELLIGENT COMMISSIONING

Some key themes emerged from the research about the factors that support intelligent commissioning at a local level. There is no one recipe that is instantly replicable, as local circumstances vary hugely. The following ingredients will help to turn slightly suspect commissioning into highly intelligent commissioning! Like any recipe, the ingredients work best when there is a good mix.

Develop positive relationships

The overarching theme from the research for this publication is that developing positive relationships between local support

and development organisations and commissioners is key to developing intelligent commissioning. A positive relationship is one defined by openness, trust, and mutual respect. It often happens at a personal level and involves colleagues who simply get on well together, though this in itself can have its drawbacks. Processes that depend solely on interpersonal relationships are vulnerable to changes in personnel: local support and development organisations and commissioners need to embed these relationships into their organisations' strategies and practices.

Developing positive relationships takes time and may require persistence. One interviewee met with 20 people in the PCT before she found someone she was able to develop a friendly relationship with. There is no magic wand that leads to good relationships, but factors that help are:

- Being proactive about going out there and making contacts
- Always being available and following through on any initial contact or requests, to build trust
- Co-locating posts so that you are working closely together on a daily basis
- Not giving up – finding a different person or route if you get stuck
- Not being afraid to challenge, but doing it in an adult and appropriate way

Provide leadership at a senior level

Intelligent commissioning is about doing things differently and better than they have been done before. For this to be really effective within commissioning organisations, it needs strong leadership at a senior level where decisions can be made and processes changed. In local authorities this includes leadership from elected members.

Similarly, voluntary organisations and community groups need leadership to embrace commissioning. Local support and development organisations, as champions for the sector, are uniquely placed to lead the attitudinal and cultural change that commissioning requires. This can be a tricky role for membership organisations to fulfil but it is a necessary one.

Leadership for both sectors is easier if it is underpinned by a shared vision of how intelligent commissioning should work, such as a strategy, standards, or a Compact code. This sets the direction of travel and provides a framework for implementation.

Sell the benefits

Commissioning is not necessarily viewed very positively by voluntary organisations and community groups. There is a key role for local support and development organisations in helping to make commissioning processes as flexible and effective as possible. Intelligent commissioning presents opportunities and benefits, particularly if voluntary organisations and community groups engage and participate

throughout the whole commissioning cycle.

Equally, voluntary organisations and community groups themselves are not always seen in a positive light by commissioners. Local support and development organisations have been selling the benefits, including the social and economic advantages, of involving the voluntary and community sector in commissioning. They have been gathering robust and consistent evidence about the impact of the sector which it is difficult for commissioners to ignore. When commissioners value the contribution of the sector, they are much more likely to design processes that ensure voluntary organisations and community groups can compete effectively.

Local support and development organisations all need to sell the benefits of their involvement and input. They can make commissioning (and decommissioning) easier, more efficient and more effective for statutory bodies, saving them time, money and even heartache.

Understand the commissioner's perspective

Commissioning processes are inevitably driven by commissioning organisations and their priorities and objectives. Local support and development organisations have an important translation and interpretation role to play between commissioners and voluntary organisations and community groups. In order to do this well they must understand the commissioner's perspective and what drives them. Some commissioning processes are

driven by procurement teams who are very focussed on minimising risk. Others are driven by commissioners who are really looking for something different and may want to encourage innovation and some risk-taking.

Developing positive relationships and seeing commissioners as colleagues really helps local support and development organisations to have an insight into the commissioner's perspective.

Be willing to work together

The final ingredient of intelligent commissioning is a real willingness and commitment from commissioners and local support and development organisations to work together through both good and bad times. This commitment may be the result of national policy, such as the Big Society; strong leadership; or friendly personal relationships between individuals. Intelligent commissioning only happens through partnership, and commitment to working together is the foundation to make this work.

GLOSSARY

The **Compact** is an agreement between the Government and the voluntary and community sector to ensure better working together. Locally there will be a local Compact covering the local public bodies and local voluntary organisations and community groups.

Contracting is about one agency, such as a local authority or PCT, paying another agency to deliver a service to an exact specification as laid out and agreed in a legally binding contract.

Decommissioning refers to the process of planning and managing a reduction in service activity or terminating a contract in line with commissioning objectives.

Full Cost Recovery aims to ensure third sector organisations – including charities, voluntary and community organisations and social enterprises – receive payment for the full costs of services they deliver on behalf of public funders. This means securing payment for both the direct costs of service provision and any overhead costs legitimately incurred in support of the service such as rent and utilities, management costs, workforce development and any other costs that must be met in order for the organisation to survive, grow and develop.

Grants are a sum of money given to an organisation to undertake an activity. Grants can be given to fund a specific project, which the organisation may be required to monitor and report on or show how the money has been spent.

ITT is an ‘invitation to tender’, sometimes referred to as a ‘call to tender’. This is sent to providers who have completed the ‘pre-qualification questionnaire’ (PQQ) and successfully passed the selection stage. The ITT starts the second stage of the award process and sets out the tender requirement, content, deadline and other elements of the tender specification.

Local support and development organisations are umbrella organisations who support and champion local charities and community groups, nurturing voluntary action and community activity. They may be known locally as CVS or Voluntary Action.

National Indicators (NIs) were developed by the last government to help local authorities and their partner organisations track progress towards national outcomes. Local strategic partnerships (LSPs) selected statutory NIs and non-statutory local indicators to reflect local needs and priorities, and these were set out in local area agreements (LAAs). The NI set has been scrapped by the present government but some local areas have voluntarily chosen to continue using them.

An **outcome** is the difference a service makes to its users and the community i.e. the benefits and changes that happen as a result of using the service.

An **output** is a measure of the service activity undertaken, such as the number of people worked with, or the programme of sessions delivered. Outputs can usually be counted.

PQQ stands for 'pre-qualification questionnaire' and is a document which forms the basis of the first, or selection, phase of the tendering process. The PQQ forms the gateway to the tendering process. Failure to submit a successful PQQ and therefore succeed at the selection stage means that the organisation is excluded from the process and cannot proceed to the award stage.

Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties and from in-house providers. Procurement may be through open tendering, select list or approved providers list. Procurement is one part of the commissioning process.

Quality assurance marks, also known as **kite marks**, are certificates that say an organisation has been through some kind of external assessment and was able to prove that it is well run, effective and a good investment for a funder or procurer. PQASSO and Investors in People are examples of quality marks.

Service Level Agreement (SLA) is the part of a contract that states what services are to be delivered. Procurers may enter into service level agreements which are actually contracts although they do not set out full contractual terms, but instead detail the services to be delivered and basic information regarding the contractor.

A **service specification** is a detailed description of services (or goods) to be

purchased. An organisation must be able to deliver what is required, exactly as set out in the specification.

Social capital is a term used for networks, together with shared norms, values and understandings, which facilitate co-operation within or among groups.

Social return on investment (SROI) is an approach to understanding and managing the impacts of a project, organisation or policy. It is based on stakeholders and puts financial value on the important impacts identified by stakeholders that do not have market values.

A **tender** is a formal offer made in writing to provide services precisely as specified in the tender documents for a stated fee. Successful tenders result in the award of a contract to deliver the services specified. A tender may be submitted to retain the right to deliver an existing service or to win a contract for a new service.

TUPE stands for Transfer of Undertakings (Protection of Employment) Regulations 1981. The purpose of TUPE is to preserve continuity of employment and to safeguard employment rights of all employees whose employment transfers to a new employer as a result of a relevant transfer.

Value for money, in the context of a procurement process, means choosing the bid that offers the optimum combination of whole life costs and benefits to meet the customer requirement. This is not the lowest initial price option and requires assessing ongoing revenue/resources costs as well as initial costs.

ABOUT THIS RESEARCH

THE CONSULTANTS

About Reshenia Consulting

Reshenia is the Russian word for reaching solutions: that's what we help our clients to do. We work with public sector, voluntary and community organisations and social enterprises to:

- improve their performance
- demonstrate their impact
- develop strategies and action plans
- interpret public policy

The Reshenia team for this project was Lin Whitfield, Vicky Redding and Lori Streich.

<http://reshenia.co.uk/>

METHODOLOGY

This report is the outcome of research carried out by Reshenia Consulting on behalf of NAVCA between May and September 2010. The research arose from a programme of work that the Local Commissioning and Procurement Unit was carrying out on 'advocating intelligent commissioning'. It was clear from the discussions at a series of seminars that many local support and development organisations were helping to improve commissioning, and that there were also significant challenges and barriers to engaging with commissioning at local level. The research was carried out to gather the experiences and learning together for the

benefit of organisations engaged in this work. The focus of the research was to identify good practice in the role of local support and development organisations in developing and supporting intelligent commissioning in their area. It began with desk research to identify current issues and trends, particularly in relation to voluntary organisations and community groups influencing commissioning practice.

The primary research started with a call for information issued by NAVCA to its membership and other relevant contacts. This elicited 30 responses. NAVCA's Local Commissioning and Procurement Unit then suggested a number of additional organisations to contact, and telephone interviews were conducted with 32 individuals from 31 organisations, 28 of which were local support and development organisations. From this information, six in-depth, stand-alone case studies were identified to illustrate the wide range of work being undertaken around the country: one of these featured three local support and development organisations. A total of 17 face to face and four telephone interviews were carried out for the case studies. All data was analysed with a focus on the factors that made the work successful and what local support and development organisations could learn.

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