

Cabinet Office (2010) *Modernising commissioning: Increasing the role of charities, social enterprises, mutuals and co-operatives in public service delivery*. London: Cabinet Office

Surrey County Council Adult Social Care Directorate response to Modernising Commissioning consultation

5th January 2011

1. The Adult Social Care Directorate in Surrey County Council welcomes the paper and we think it is a helpful approach and strategy to address the challenges faced by both the health and social care economies.
2. We will need to work through the detail to clarify the route to get from current strategic commissioning arrangements and internal service delivery models to the proposed arrangements, with specific reference to localism and personalisation.
3. The paper facilitates broader opportunities and builds on the DH vision for adult social care. Importantly, the paper also recognises the value of staff enthusiasm and local knowledge to redesign services, which is a positive step.
4. We would welcome some funding to substantiate the aim/purpose of the paper; that is to say pump-prime/incentive funding might overcome some of the risks associated with start-up enterprises e.g. guaranteed contract periods.
5. It would be helpful if some examples of projects/local initiatives were referenced, if these exist. What flexibilities have they exercised re: current governance arrangements to overcome practical challenges? Also what are the criteria for success?
6. Civil society organisations are integral to the implementation of Putting People First and achieving the vision for Adult Social Care; they are embedded in the community and can contribute to promoting social capital, to universal services and prevention.
6. Overall we welcome the direction of travel, acknowledge the barriers these initiatives need to overcome, but are actively pursuing in Surrey the flexibilities afforded by the paper.

Consultation questions:

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

- In Surrey, we are moving towards creating opportunities for civil society organisations in different parts of Adult Social Care e.g. services for people who have a sensory impairment, Home Improvement Agencies, day services for people with a learning disability.
- Payment by results (PbR) could create both opportunities and challenges for civil society organisations: it would give a mandate for greater focus on delivering outcomes yet may not offer the security and stability to new organisations to

- flourish. Has there been an evaluation of the success of PbR in the Health Service? Has PbR driven efficiency, effectiveness and innovation, and what lessons can be learnt for other areas in the public sector?
- We have queries around PbR; clear guidance is required as to what organisations should be rewarded for and how this is measured. The incentivisation system needs to ensure that it rewards desirable outcomes. A clear steer on what these outcomes are would be useful. We need to ensure there are no perverse incentives i.e. rewarding undesirable outcomes.
 - From a procurement perspective, how is it intended to eliminate/reduce the risk of challenge from other potential providers in the marketplace, either under the EU Procurement Regulations (or if these do not apply i.e. contracts being under the EU Financial Thresholds, where the EC Treaty applies)? We need to ensure fair competition and transparency. If a contract can simply be awarded purely on the basis that a Civil Society Organisation has been set up and is considered best placed to serve the community, then this would suggest that a tender process has not been undertaken. A potential provider would ask on what basis the decision has been made to award a contract if no apparent formal competition/evaluation has taken place. This could lead to a claim under the EU Remedies Directive for Part A Services with the potential for contracts being made ineffective, or a claim for damages under the EC Treaty.
 - As Local Authorities are receiving an increased number of challenges as a result of the recent changes in procurement legislation, there is the potential for automatically awarded contracts to exacerbate this. This could lead to higher internal costs for legal dispute and adverse publicity from the private sector.

How could Government make existing public sector markets more accessible to civil society organisations?

- The Government could make the Adult Social Care market more accessible by providing formal business support and guidance to potential civil society organisations and offering incentive funding to mitigate set-up risks.
- We think it is a positive step to simplify procurement procedures.
- The combination of EU rules, the Remedies Directive and the Compact make for too many layers of bureaucracy in Local Authority procurement. Our current providers find procurement rules are too restrictive and bureaucratic.
- To ensure the procurement process is robust, there is currently a large amount of legislation to consider; this adds to the layers of bureaucracy.
- We would welcome working collaboratively with civil society organisations, with mutual openness and transparency, working together to drive efficiency, effectiveness and innovation.
- To enable civil society organisations to be fully included in simplified procurement processes and the online 'Contracts Finder', it is vital to ensure this portal is accessible for people e.g. use of simple language, ability to change font to larger sizes and other web accessibility options.
- New procurement processes and contracts should be assessed for their impact on equalities and could also be assessed for the impact on civil society organisations.

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

- Surrey County Council is delivering a programme of Public Value Reviews (PVRs). All public value reviews share a primary objective, which reflects the Council's ambition to move to being a world class authority by delivering improved outcomes and value for money for the residents of Surrey. These PVRs are informing commissioning decisions.
- Likewise, the JSNA and Local Information System (a datahub for Surrey called Surrey) are populated with data concerning the wider determinants of health and well-being, such as housing, indices of deprivation and education. These tools enable intelligent strategic commissioning decisions.
- Engaging with Total Place and community budget programmes will also facilitate cross-sectoral approach within local communities.

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

- In Adult Social Care in Surrey, we have adopted a commissioning approach in which co-design and co-production is integral; this includes people we serve, carers and our partners, including the voluntary sector.
- Civil society organisations need to be included as a partner on local HealthWatch and Health and Well-being boards. To demonstrate and implement full involvement, civil society organisations could be given a leadership role in the new governance arrangements.
- In Surrey we are working with the Voluntary Community Faith Sector to support them, for example, in combining back office functions thereby making them more efficient.